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Peace Plan Shows No New Approaches

AU2305201993 Belgrade Radio Beograd Network in Serbo-Croatian 0800 GMT 23 May 93

[Milika Sundic commentary]

[Text] It is my impression that the Russian initiative brought to Belgrade by Andrey Kozyrez somehow experienced a total fiasco in Washington and that it has somewhat been drowned by the American will, because this most recent agreement by the U.S., Russian, British, French, and Spanish foreign ministers best demonstrates that nothing could be decided or concluded without American pressure and American will.

The resolution—that is, the document that will probably be submitted to the Security Council for approval—shows that essentially nothing has changed in the approach to the Yugoslav crisis. I have a hunch that some things are returning to square one as if nothing ever happened in the meantime. I say this because they have obviously neglected the fact that, regardless of the latest incidents around Sarajevo, a relative calm is reigning between the army of the Serbian republic and the Muslim army and between the army of the Serbian republic and the Croatian Army in the former Bosnia-Herzegovina.

This plan envisages the so-called protection of zones, such as Sarajevo, Srebrenica, Zepa, and so on. It envisages placing observers at the border of the Federal Republic of Yugoslavia, which is disputable because to implement such a decision and such a conclusion, the Federal Republic of Yugoslavia must rule on it. I will also take this opportunity to recall the statement by Dobrica Cosic, president of the Federal Republic of Yugoslavia, that foreign observers on the Yugoslav border are out of question.

This document by the five ministers also envisages either sending or increasing the number of observers in the Serbian province of Kosovo. This is also disputable since no decision in this respect can be realized without the consent of the Federal Republic of Yugoslavia. After all, there are already CSCE observers in Kosovo, Raska, and Vojvodina, and that is completely sufficient. All this cooperation will have to be carried out soon with the government of the Federal Republic of Yugoslavia—that is, between the CSCE and the Federal Republic of Yugoslavia.

In this latest game on Bosnia-Herzegovina, the Russians conceived to take over the initiative from Western Europe or to some extent, with the help of Western Europe, and somehow make an accord with the United States, which recently showed signs of a certain knowledge of the situation in Bosnia-Herzegovina. Let me remind you: President Clinton abandoned the limited raid of Serbian targets in Bosnia-Herzegovina and also gave up lifting the embargo on arms imports to the Muslims. Of course, raiding Serbian targets in Bosnia is still out, at least for the time being, and lifting the embargo on arms imports to the Muslims in Bosnia-Herzegovina is still not talked about, but what this document envisages, particularly regarding the tightening of sanctions against the Federal Republic of Yugoslavia, is in a way belittling everything that the Federal Republic of Yugoslavia has done so far in the sphere of rapprochement among the warring sides—that is, in the sphere of being cooperative, both with the West European countries, the cochairmen on Bosnia-Herzegovina, and the United States.

It is my impression that Andrey Kozyrev arrived here with great wishes and great ambitions, which have mainly melted under strong American pressure. The Russians have played another thankless role that is obviously not going to help calm the situation in Bosnia-Herzegovina or Yugoslavia's cooperation with the relevant factors who are dealing with the crisis in Bosnia-Herzegovina. One really does not know what more the Federal Republic of Yugoslavia should do to satisfy the interests of the great powers—the United States, Western Europe, and Russia—regarding the so-called peace in Bosnia-Herzegovina.

Regarding the crisis in Bosnia-Herzegovina, it is my impression that the world is still behaving as if it wants the war to flame up and not be extinguished. All that has been done so far, which was somewhat promising that it could finally bring a lasting and stable peace in Bosnia-Herzegovina, has been nullified by this latest approach to the crisis in Bosnia-Herzegovina and the Federal Republic of Yugoslavia.

I am not able to assert whether the Russians still have a certain influence on the behavior of Western Europe and the United States, but if Yeltsin's envoy Vitaliy Churkin, Minister Kozyrev's deputy, is to visit Belgrade, as our correspondent from Moscow reports, then it is not clear to me what he is going to bring, since what he is now bringing and what he should inform the leadership of the Federal Republic of Yugoslavia—this latest plan of the five foreign ministers—in a way disagrees with that rather evident agreement after the latest Andrey Kozyrev visit in Belgrade. According to rule, Churkin should explain to the Federal Republic of Yugoslavia that this is the latest stance of the great powers—which is probably going to be adopted by the Security Council at one of its coming sessions—and it remains for Yugoslavia to either accept it or ask once and for all how far the measures of pressure on the Federal Republic of Yugoslavia are going to go and what the world potentates are asking of the Federal Republic of Yugoslavia regarding the crisis in Bosnia-Herzegovina. It would have been unacceptable for the Federal Republic of Yugoslavia to play the role that the world is using on us in Bosnia-Herzegovina—making Yugoslavia finish the jobs that the international community could not do in a way it should have done and had to do.

Croatia Wants To Build Dam on Hungarian Border

LD2205192593 Budapest Kossuth Radio Network in Hungarian 1700 GMT 22 May 93

[Text] Croatia continues to insist that, in accordance with the agreement it made with Hungary in 1988, hydroelectric power stations should be built on the Drava River. This was the stance of a staff member of the Croatian Ministry of Construction and Environmental Protection at the news conference of the International Drava conference in Kaposvar [southwest Hungary]. According to the Croatian delegation, future harmful environmental effects could be eliminated by creating a national park along the Drava, as well as by building the water barrage. The Hungarian side regards this solution as inconceivable.

Visegrad Group Countries Hold Talks in Rome

LD1905214593 Budapest MTI in English 2045 GMT 19 May 93

[Text] Rome, May 19 (MTI)—The defence ministers of the Visegrad group, except the Czech minister, held a one-and-a-half hour consultation at the Hungarian Academy in Rome on Wednesday.

Hungarian Defence Minister Lajos Fur, who met his Polish counterpart Janusz Onyszkiewicz and Slovak opposite number Imrich Andrejcak, told MTI that the talks focussed on three topics:
—a common standpoint on the Yugoslav crisis to be represented at the Thursday forum of the Western European Union (WEU),
—an Ukrainian proposal for regional cooperation in security affairs,
—the prospects of the Visegrad group in the field of security.

Asked about the absence of the Czech defence minister, Fur said it was due to technical reasons, even if "the Czechs are not too enthusiastic about Visegrad cooperation."

The Visegrad group considers a military intervention into the Yugoslav crisis neither expedient nor likely. Receiving West European patrol boats and customs officers on the Danube, Hungary (together with Romania and Bulgaria) makes it possible to strengthen the verification of the embargo. On behalf of the Hungarian Government, Foreign Minister Geza Jeszenszky is to sign a memorandum to this effect tomorrow.

The security forum proposed by Ukraine would be open to Austria and the former Warsaw Treaty member states except Russia, but would not involve the successor states of Yugoslavia. Under the proposal, there are plenty of common features in the security problems of the region, which require coordination. Fur said Hungary agreed on holding regular consultations between the said countries but considers it needless for a new organizational framework to be created which would only hinder the development of cooperation with the West European organizations. Further difficulties may arise from the exclusion of Russia, he said.

Tuberculosis in Bosnia, Croatia

AU2105080993 Paris AFP in English 0043 GMT 21 May 93

[Text] Zagreb, May 21 (AFP)—Thousands of people in the former Yugoslavia are threatened by tuberculosis, World Health Organization (WHO) and UNICEF officials said Thursday.

The last 2 ½ years have seen a sharp increase in the infectious respiratory illness, with some 2,500 cases recorded in Croatia so far this year, the WHO said.

In Bosnia-Herzegovina the situation is worse, although statistics are impossible to obtain because of the ongoing war, which has destroyed the medical infrastructure.

Poor conditions have also caused rickets and anemia.

Gilles Forte, a WHO doctor, appealed to the international community for diagnostic supplies to combat tuberculosis, in particular X-ray film.

He estimated the cost of screening and providing medicine for 10,000 people for nine months at 560,000 dollars.

Even before the war, Yugoslavia was more affected than other European countries by tuberculosis, with a rate of 83 per 100,000 people in 1991, compared with 9.5 per 100,000 in 1989 in the United States, said Sean Drysdale, an epidemiologist.

Zhulali, European Deputies Discuss Army Reform

AU2105150993 Tirana Radio Tirana Network in Albanian 1330 GMT 21 May 93

[Text] This morning Defense Minister Zhulali received a delegation of European parliament members. Zhulali acquainted them with the work done in reforming and strengthening the Army and guiding it through democratic legislation. Concerning this, he said that we have drafted new laws and are working to prepare a new military doctrine and a defense strategy and policy, mentioning the assistance by NATO, the United States, and the other NATO member countries.

Concerning the aggravated situation in the region, Zhulali stressed that the danger to Albania from the possibility of the conflict expanding southward is great. While analyzing this situation, he confirmed that we cannot approve the failure by the international community to maintain a strict position against Serbia and apply the peace plan. We cannot agree with the treatment of Milosevic as a negotiator of peace when it is known quite well that he is the cause of this tragedy.

Zhulali then answered questions by the European parliament members, stressing that the plans for the creation of Greater Serbia represent the danger of the conflict expanding to the south. Under these conditions, we cannot allow ethnic cleansing in Kosovo. That is why, along with the efforts to prevent the conflict from spreading through the Balkans, a political solution should be found for Albanians living in their territories in the former Yugoslavia.

Asked whether Albania will intervene in the case of ethnic cleansing, Zhulali answered that there is no question of interference, but rather of resolute resistance by the Albanian nation against ethnic cleansing.

Hoxha Views Results of Privatization

AU2205142093 Tirana ATA in English 1003 GMT 22 May 93

[Text] Tirana, May 22 (ATA)—In an interview with the newspaper ALEANCA, the Minister of Foreign Trade and Economic Relations Artan Hoxha says with regard the process of privatization that 100 percent of the retail sale has been privatized. Privatization of wholesale enterprises is going on in the districts. The enterprises dealing with the foreign aid are not to be privatized until July, when the policy of aid distribution will change. With regard to national enterprises of foreign trade, their privatization is actually difficult since they are indebted to foreign firms. Privatization in these enterprises cannot be made without solving this question. The ways of how to eliminate this debt are now being found.

The question whether the necessary legislation is completed for foreign investors in Albania, the minister replied saying that only the main legal guide lines have been drawn in this direction. The so far adopted laws are the most important and others are also needed. Regarding the question about an opinion existing that a lower activity than expected has been carried out, the minister said that "I do not agree with this opinion, which seems to be a general one."

If we refer to figures, for 1992 we have signed contracts with foreign investors which are worth 196 million U.S. dollars as opposed to 13 million that our contracts were in 1991. But we should not forget that the realisation of an investment is a process which demands a relatively long time, Mr. Hoxha said further on. The answer to the question whether there will be a disequilibrium regarding the financial power between the foreign firms and the local ones was: "I do not like political speculations at all. I would like to underline that the geography of investments is mainly from Western Europe and America. There are some sporadic investment from Islamic countries," Mr. Hoxha said in conclusion.

Government Announces Policy for Poverty Relief

AU2005184393 Tirana ATA in English 1001 GMT 20 May 93

[Text] Tirana, May 20 (ATA)—During the second half of the year the Meksi government will allocate about 1.2 billion leks for social protection. According to estimation of specialists of the Ministry of Labour, Emigration, and Political Persecuted, this fund will be delivered to about 100 thousand families with insufficient income to afford living.

According to the new law, aid will be given to families with no income and rural families to compensate their income. Consequently, no family will live beyond this level. As a rule the economic aid will be in cash and in special cases in items. It will not exceed the minimum pay of unemployment, when the two spouses are unemployed.

Government To Receive Compensation for Sanctions

AU2105170393 Sofia BTA in English 1513 GMT 21 May 93

[Text] Sofia, May 21 (BTA)—Bulgaria will get sanctions assistance and some compensation for observing the embargo against Serbia and Montenegro in the form of customs duty reduction, increase of quotas, financial concessions and new lending, Prime Minister Lyuben Berov told journalists today on coming back from Italy. In Italy Prime Minister Berov attended the Western European Union forum of consultations held with the participation of countries in central and Eastern Europe. He signed a memorandum with the WEU on cooperation in the observance of sanctions against Serbia and Montenegro.

The provisions in the memorandum are general, they are valid for Romania and Hungary too, the prime minister said. The Bulgarians manning the WEU boats patrolling the Danube will have the right to carry small arms only. The document restricts the use of force to a reasonable level.

The question of Bulgaria's violating the embargo was not raised at the Rome forum, Mr. Berov said in response to a question. It is his impression that the West respects Bulgaria as a state which maintains a balance in the Balkans and observes the embargo against Serbia and Montenegro. Mr. Berov believes that Bulgaria's proposal for a free transport corridor through ex-Yugoslavia will really be considered. Last Monday the Bulgarian Government approved a memorandum to the United Nations Security Council insisting on a free transport corridor through Serbia by guaranteeing adequate control for the observance of sanctions.

Christian Democratic Center Denies Split

AU2105130393 Sofia 24 CHASA in Bulgarian 17 May 93 p 3

[24 CHASA Staff Report: "Delegates Loyal to Filip Dimitrov Gain Upper Hand at Congress of United Christian Democratic Center"]

[Text] With the decisions adopted by its Fourth Congress in Plovdiv the United Christian Democratic Center rallied around the line of the Union of Democratic Forces [SDS] National Coordinating Council.

Stefan Sofiyanski, known as a person loyal to the National Coordinating Council and Filip Dimitrov, won the bidding and became the new party boss.

More than 45 delegates, among them Sofia Mayor Aleksandur Yanchulev, Professor Aleksandur Chirkov, and National Assembly member Stanko Stanev, walked out. Prior to this Prof. Chirkov tried to oppose the directives of the National Coordinating Council, but his words were not heard, delegates said. Ventseslav Dimitrov, who also failed to become a leader, and Verzhiniya Velcheva, withdrew their candidacies and refused to become deputy chairmen. This post went to former Deputy Premier Ilko Eskenazi. Ekaterina Mikhaylova was elected chief secretary.

Delegates outside the congress hall, said that "this could be the last joint congress of the party. A split looms ahead." However, they would wait for their toppled leader to return before deciding on any steps.

The absence of one-third of the Christian Democratic Center clubs from the congress also testifies of a scandal in Stoyan Ganev's party. According to some delegates, the elections of party leaders were rigged. However, for the time being the leaders deny any conflict or a danger of a split.

The organization of which Stoyan Ganev is a member must announce its opinion on his membership in the United Christian Democratic Center. He himself sent a fax from New York, in which he told the participants that he learned about the congress from the newspapers. He also said that he was prevented from coming by his intensive involvement in reforming the UN General Assembly.

Radiation Level Normal After Ukraine Accident

AU2205133993 Sofia Khorizont Radio Network in Bulgarian 0400 GMT 22 May 93

[Text] As we have already reported, a fire broke out yesterday at the Zaporozhskaya Nuclear Power Plant as a result of which one person was killed and another seriously injured. A representative of the nuclear plant explained to Ukrainian Television that a spark from a burner ignited some hydrogen gas that led to an explosion in the turbine room of one of the plant's six reactors.

The director of the Zaporozhskaya Nuclear Power Plant pointed out that the incident did not affect the reactor itself and that there is no danger to the population of the surrounding region.

In connection with the incident at the Zaporozhskaya Nuclear Power Plant, Lieutenant Colonel Valentin Angelov, chief inspector for radiation protection, announced early this morning that the background radiation level in Bulgaria is normal and that the data received from all the monitoring posts in the country show that there has been no change in the radiation situation. All responsible officials have been informed of the incident, and Civil Defense Chief Colonel Nikola Nikolov has personally made a report to Evgeni Matinchev, chairman of the Permanent Commission for Protection of the Population From Disasters and Accidents.

Klaus: Rapid Wage Increases 'Threat' to Economy

AU2105141093 Prague CTK in English 2022 GMT 18 May 93

[Text] Prague, May 18 (CTK)—Czech Premier Vaclav Klaus considers a fast growth in wages the biggest threat to the Czech economy, he said after a meeting of Czech cabinet ministers today.

If the wage growth exceeds a certain limit, we will be trapped in a vicious circle. This must be felt even by trade union organisations, he stressed.

He was hinting to the unions' push for wage increases.

The managements of state enterprises will be charged by the relevant ministries to do something to ward off the danger, Klaus added.

He was reacting to a three-page list of enterprises in which the average nominal wage increase was up to 70 percent above the national average in the first three months of 1993 compared with the same period last year. The list has been worked out by the Czech Industry and Trade Ministry.

A report from the Czech Statistics Office, acquired by CTK today, said that the average monthly wage in Czech organisations with more than 24 employees rose by 27.8 percent to 5,196 crowns (about 170 USD) in the first quarter of 1993 compared with the same period last year.

At the same time, the cost of living went up by 21.5 percent, which means that the real wage rose by 5.2 percent.

The biggest increase was registered in the budgetary sphere (40 percent) especially in public administration, including the judiciary, and in education.

In business, the average wage went up by 24.8 percent.

Dyba: Economy 'Not Developing Badly'

AU2105141193 Prague CTK in English 1444 GMT 18 May 93

[Text] Vienna, May 19 (CTK)—Czech Economics Minister Karel Dyba today said that the Czech economy had not been developing badly since Czechoslovakia's division at the beginning of this year and that the impact of the dissolution of the Federation had been overestimated abroad.

Speaking at a session of the international council of Austria's Creditanstalt-Bankverein in Prague, Dyba said that all economic indicators including those of industrial output or of hard currency reserves suggest that a drop in the Czech-Slovak trade had no effect on the dynamics of the Czech economy.

The trade between the Czech and Slovak Republics dropped by 40 percent in the first months of this year. Czech economists estimate that a drop in Czech-Slovak trade by ten percent would lead to a 1 percent decline in the Czech gross domestic product.

According to Reuters, Dyba emphasised that access of Czech goods to Western markets was very important for the future of the Czech economy.

Ministry Official Concerned About Expenses

AU2105135793 Prague HOSPODARSKE NOVINY in Czech 18 May 93 p 2

["dz"-signed report: "Favorable Budget Revenues; However, Anxiety Prevails About Additional Expenditures"]

[Text] The Czech Republic's budget has been in the black since mid-February. On 13 May its surplus amounted to some 5.7 billion korunas. The current trend indicates that revenues are developing according to expectations (118.8 billion korunas at the end of April, which is 34.7 percent of the annual budget apportionment).

Therefore, the much-feared downturn has not happened. Final tax returns from 1992 contributed a sum of 18 billion korunas to this favorable result; however, revenues from the new tax system have gradually increased. The returns from consumer taxes, value-added tax, social insurance contributions, and customs duties during the first quarter were generated according to expectations, or even better.

On the other hand, the unfavorable situation regarding income tax from legal entities—where 15 billion korunas less than expected were collected in the first months of the year—has continued. The most recent figures from the end of April indicate that this sum has been reduced to roughly 8 billion korunas.

Having assessed the situation, Eduard Janota, director of the Finance Ministry State Budget Department, thinks that this year's budget revenues could be achieved and, perhaps, even exceeded. He sees the main risk to maintaining a balanced budget—first and foremost—in the expenditures that had not originally been taken into consideration in the budget and that the Finance Ministry will have to deal with.

Janota places in this category, for example, state participation in the advantageous loans the savings bank granted to young couples and provided for housing construction and also the installments on certain state obligations assumed from the Ceskoslovenska obchodni banka [Czechoslovak Commercial Bank] and the installments on the credit liabilities for the Krivoy Rog project. It is also apparent that the level of subsidies envisaged for heating will not suffice. The Czech-Slovak border also requires additional funds from the budget. The expenditure needed for these and other projects is estimated at around 10 billion korunas. Janota cites this figure to counter the opinion that—in view of the current favorable budget development—it is now possible to "let the budget's blood."

Labor Ministry Deems Railroad Strike Illegal

LD2105134893 Prague CTK in English 1229 GMT 21 May 93

[Text] Prague, May 21 (CTK)—The Czech Labour and Social Affairs Ministry today said that the one-hour railwaymen's strike on Wednesday [19 May] had been unlawful because it was held while negotiations on a collective contract were under way by which a 1991 law on collective bargaining was breached.

The ministry's press spokesman Ota Veverka said that the strike seriously violated the "general agreement" for 1993 as well.

The agreement is concluded in tripartite negotiations by representatives of the government, trade unions and employers, and its goal is to maintain social peace in the period of transition from the central-command to the market economy.

Veverka said that the government had reached agreement with its partners that the parties to the agreement would consult with one another their moves taken in the implementation of the economic and social policies.

Czech Premier Vaclav Klaus called the strike illegal and unfortunate on Wednesday.

On Thursday, spokesman for the Czech Railways (CD) company Miroslav Zikmund said that the strike had resulted in a loss of 400,000 crowns (about 14,000 USD).

The CD management believes that the action was unlawful and wants to take the matter to court. If the court rules the strike was illegal, the CD will sue the strikers for compensation on losses.

By their strike, the railwaymen wanted to push through their demand for an average increase in their monthly pay of 300 crowns (about 10 USD).

International trains were also delayed due to the strike.

The crisis staff of the Prague, Plzen (west Bohemia) and Olomouc (north Moravia) regions today said that the strike had not been of a confrontational character and that it had fulfilled its goal.

The strike was intended as a means to draw attention to the CD management's unwillingness to discuss the unfavourable financial situation of railwaymen, the staff's statement said.

It confirmed that the strike alert was still valid. Unless the railwaymen's demands for systemic changes are fulfilled by the end of May as promised by Transport Minister Jan Strasky, the staff will decide by June 3 about further moves to be taken.

Seventy per cent of the night shift railwaymen at 217 stations in the Prague and Plzen regions took part in the strike.

Issue of State Bonds Approved To Cover Deficit

LD2105101493 Prague CTK in English 0930 GMT 21 May 93

[Text] Prague, May 21 (CTK)—The Chamber of Deputies approved last night the issuance of state bonds to cover the deficit in the Czech Republic budget for 1992 and costs arising from the federation's break-up.

The law enables the Ministry of Finance to issue state bonds payable in ten years in the extent of 16.8 billion crowns (about 550 million USD). That will cover the 1992 deficit amounting to 1.7 billion crowns (about 40 million USD) and two-thirds of the federation's costs at 4.6 billion crowns (about 153 million USD).

Another 10.4 billion crowns (some 330 million USD) generated by the bonds are planned to pay off credits from Ceskoslovenska Obchodni Banka (Czechoslovak Commercial Bank—CSOB) and increase the bank's liquidity. This debt was incurred after liabilities in unconvertible currencies were carried over to passive state finances of both republics. Liabilities and claims in freely exchangeable currencies, included in central foreign currency funds, were carried over to states' active and passive balances.

NATO Inspectors Visit Military Airfield

LD2005183293 Prague CTK in English 1509 GMT 20 May 93

[Text] Namest nad Oslavou, south Moravia, May 20 (CTK)—A NATO team today visited a Czech military airfield to inspect Czech aircraft technology and familiarise themselves with the organisational structure of the 20th Fighter Bomber Regiment stationed here.

The NATO group is on a working visit in the Czech Republic for several days at the invitation of the Czech Army and within the framework of the agreement on conventional forces in Europe

Namest nad Oslavou is one of three Czech Army airfields in the Czech Republic. The 20th Fighter Bomber Regiment has been stationed here since 1960.

Zeman: Havel Not 'Realistic Politician'

AU2005112093 Vienna DER STANDARD in German 19 May 93 p 2

[Interview with Milos Zeman, chairman of the Czech Social Democratic Party, by Jindrich Lion in Prague; date not given: "In Favor of Referendum on Temelin"]

[Text] Prague—Milos Zeman, who has been chairman of the Czech Social Democratic Party for about two months, is conducting talks with leading representatives of the Social Democratic Party of Austria [SPOe] in Vienna today. Zeman, 48, belongs to the left wing of his party. DER STANDARD correspondent Jindrich Lion conducted the following interview with him in Prague.

[Lion] In your office you have an oversized picture of the Austrian chancellor on the wall. Why Franz Vranitzky and not someone else?

[Zeman] Because we are very grateful to the SPOe for its support.

[Lion] Your negative relationship with Prime Minister Klaus is no secret. What is your stance on President Havel?

[Zeman] I have no personal ill feelings against Klaus. As far as Havel is concerned, I greatly appreciate him as a man but I do not think that he is coping with the tasks of a president. He should not have abdicated as CSFR president at such an early stage. He is more a symbol than a realistic politician, and he is under the spell of the government coalition.

[Lion] How would you assess your party's position at the moment?

[Zeman] According to surveys, we were supported by 7 percent of the electorate in February, by 11 percent after our party congress in March, and we have now reached 14 percent. This would mean that we are the second strongest party.

[Lion] Apart from the many scandals, most West European social democratic parties are suffering from waning support.

[Zeman] In France they have been in power too long, which is something the voters do not like. Moreover, they made major mistakes, which can also be said of other countries. Wherever the party fights against corruption, it will not lose the support of the masses. We have included this struggle into our program.

[Lion] What is your position on the nuclear power plant of Temelin?

[Zeman] It is not a new project, and we cannot permit billions [currency not specified] to be thrown out the window. Nevertheless, we are ready to examine Vranitzky's proposal to convert it into a gas-fired steam generating power plant with Austrian assistance and to let the people decide in a referendum.

Poll Shows ODS Most Popular Party

AU2105135693 Prague CTK in English 2000 GMT 18 May 93

[Text] Prague May 18 (CTK)—Should the Czech parliamentary elections be due next week, most voters would choose the Civic Democratic Party (ODS), according to a poll taken by the Centre For Empiric Research (STEM).

The STEM poll was carried out in mid-May and included 1,622 respondents.

A majority of voters—36 percent—would choose the ruling ODS, while 14 percent would choose the opposition Czech Social Democratic Party (CSSD). The coalition Civic Democratic Alliance party (ODA) and the opposition Communist Party of Bohemia and Moravia would both receive 10 percent of votes, the STEM poll indicates.

Next down the list figures the coalition Christian and Democratic Union-Czechoslovak People's Party (KDU-CSL, 5 percent), then the opposition Liberal Social Union (LSU, which is a formation including the Greens' Party, the Czech Socialist Party and the Czech Agrarian Party, 4 percent) followed by the opposition Assembly For the Republic-the Czechoslovak Republican Party and the Self-Governing Movement For Democracy of Moravia and Silesia (SPR-RSC and HSDMS, both 3 percent), trailed by the coalition Christian Democratic Party (KDS, 1 percent).

In a popularity poll, Vladimir Dlouhy (ODA) heads the list of ten most popular politicians with 79 percent, followed by Jan Strasky (ODS, 74 percent), Vaclav Klaus (ODS, 70 percent), Jiri Dienstbier (Civic Movement, 68 percent), Ivan Kocarnik (ODS, 66 percent), Jan Kalvoda (ODA, 63 percent), Josef Zieleniec (ODS, 59 percent), Josef Lux (KDU-CSL, 48 percent), Milos Zeman (CSSD, 47 percent), and Antonin Baudys (KDU-CSL, 46 percent).

The survey says that 70 percent of the respondents trust President Vaclav Havel (30 percent do not trust him), 66 percent trust Premier Vaclav Klaus (34 percent do not trust him) and 43 percent trust chairman of the parliament, Milan Uhde (57 percent do not trust him).

Finally, 60 percent of those asked think the Czech Government works well (39 percent think the opposite), while only 30 percent think well of the Czech Parliament (69 percent think it works poorly).

Should the elections be due next week, 65 percent of those asked said they would go to the ballot-box, 14 percent said they would not and 21 percent said they did not know, the STEM survey concludes.

Meciar: Republic Plans To Boost Arms Output

AU2105141293 Prague CTK in English 2104 GMT 18 May 93

[Text] Washington, May 18 (CTK correspondent)—Slovakia intends to boost armaments industry for the time being to obtain funds for its transformation, Slovak Premier Vladimir Meciar, who is on an unofficial visit to the United States, today told the U.S. Congress.

He said that Slovak arms works currently produced nine percent of the 1989 figure. We had made a goodwill gesture but nobody helped us, Meciar said, adding that others came to the international arms markets which had been abandoned by Slovakia. He stressed that the enlivenment of arms production in Slovakia was necessary to give jobs to the people. He recalled that before 1989 Slovakia produced two-thirds of Czechoslovak armaments output.

Regarding the Free Europe radio station (RFE), Meciar said that nothing would happen if it stopped broadcasting. He said that in the latest months he had repeatedly criticised the RFE Slovak broadcasting which, he said, had been useful in the time when sources of information had been limited, but which now could not fulfill its role.

Turning to ethnic minorities problems, Meciar said that the outcome of the forthcoming parliamentary elections in Hungary would have great importance for the Hungarian minority question. He said that some forces in Hungary had not given up the dream of the Great Hungary. At the same time, he rejected rumours about discrimination against the Hungarian minority in Slovakia which had 26 newspapers, three theatres and its own schools.

On the position of Romanies, Meciar said that under the Slovak Constitution each citizen has the right to declare his or her nationality but only three percent of Slovak Romanies had said they were Romanies. Meciar said that the Romanies were socially weaker, less educated, problematic and socially unadaptable group of the population.

Returning to the division of Czechoslovakia at the beginning of this year, Meciar said that after last year's parliamentary elections, the Slovak side had proposed a confederation. The Czech side, however, had rejected the offer, proposed the split and the Slovaks accepted it, Meciar said. He said the Slovak economy was an appendage of the Czech one which had been proved by a much higher unemployment rate in Slovakia.

Meciar Interviewed on Results of U.S. Visit

LD2205202093 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 22 May 93

[Interview with Prime Minister Vladimir Meciar by correspondent Zuzana Stukovska in Bratislava on 22 May—recorded]

[Excerpts] [passage omitted]

[Stukovska] Prime Minister, based on what was published in our newspapers, one of the concrete results of your visit to the United States was the promise of the IMF to extend credit to the Slovak Republic amounting to $90 million. [passage omitted]

[Meciar] The proverb that it is most difficult to be a prophet in one's own land is valid. When the economic situation in Slovakia and the performance of the Slovak Government after 1 January 1993 were being assessed, they were given a very high mark from abroad. They say we have proven wrong all the prognoses for post 1 January 1993 development and, on the contrary, instead of a catastrophic development, there are now forecasts for a change to the better.

They evaluate the government's activities very highly and are also changing their attitude because of these evaluations. This means that the IMF has revoked all the conclusions that it drafted as a result of the previous talks. The IMF experts who are to leave for Slovakia received instructions in our presence, in the sense that they would not receive any written mandatory agenda before their visit.

They are to conclude an agreement according to which the further development of the Slovak Republic ought to be forecast, and they should also reach an agreement on credit terms. At issue is the attainment of credibility, i.e. gaining the trust of other banks. An agreement with them is necessary. [passage omitted]

We also spoke about the new credit line being prepared for post-communist countries and the Slovak Republic, namely due to the successful development at home. Please note that these are, on our part, very modest words because much stronger superlatives were voiced in admiration at what we had achieved. Well, due to the development at home, the Slovak Republic should be the first to be offered this credit line.

[Stukovska] Mr. Prime Minister, you said in the United States that Slovakia did not ask for free help. What did you offer in exchange?

[Meciar] Of course, there have to be at least two partners to every deal. [passage omitted]

Free forms of assistance are limited in their extent and volume. Never again will anybody donate a sum that, for example, would make the reconstruction of Mochovce [nuclear power plant] possible. We were, in this case, interested in large investments.

If we want to develop cooperation, there are three basic lines. The first is privatization and participation in property privatization. [passage omitted]

The second area is the banks. We discussed the conditions of the insurance industry. This is what U.S. investors are extremely interested in and where they want to invest. They are ready to offer credits as well. They have offered substantially larger credits than we have envisioned thus far.

[Stukovska] [passage omitted] Did Zbygniew Brzezinski outline to you what would have happened if you had arrived late? I ask this specifically because this American political scientist of Polish origin is known not to err. Was he ready to correct anything in Slovakia's horoscope after having talked to you?

[Meciar] First of all, Brzezinski corrected his view on Meciar. By the time, we said good-bye, there was an extremely favorable change of atmosphere with a high degree of trust. [passage omitted]

[Stukovska] I am not asking specifically about how you assess your visit to the United States, since I believe that the answer will be obvious: The visit was successful. You have been accorded the same honor as German Chancellor Kohl and French President Mitterrand. Despite this, I have the feeling that you have come back from the United States several years older. Allow me to ask you a personal—somewhat philosophical—question. Do you not regard that trip as a certain sobering up from the dream of a strong, sovereign Slovakia in Central Europe?

[Meciar] On the contrary, this trip confirmed it. However, it set conditions under which this can happen, as well as made the means leading toward this more realistic. Therefore, my dream can become a reality. In order for it to become a reality, however, we ourselves must not spoil it. It must, after all, not happen when we are fighting in the Senate and the Congress for the good name of Slovakia for Mr. Kanys [Party of the Democratic Left] to do what he did to limit the effect of our work by assessing very negatively the situation in the government and the parliament.

I was asked what the truth was in this matter and what the chances of the government's survival were, because they believe in the government. [assage omitted]

[Stukovska] The last question. Your interview given to the German weekly DER SPIEGEL has stirred public opinion considerably during the current week. Although Prime Minister Klaus regards remarks made in the interview as having been taken out of context, the Czech side has, nonetheless, sent a diplomatic note to Slovakia in which it has asked for an explanation. I would be interested to know which argument you will decide to use in the reply and whether you or someone from people around you authorized that interview for the German weekly DER SPIEGEL?

[Meciar] The interview for the German weekly was authorized. I see that a number of processes are running in parallel. A section of the Czech press continues to see me as a bogeyman. I was in Washington, and something had to happen. If that incident did not happen, something else would have been done. Regarding the interview in which I spoke about the Czech side—not only in this instance, but also in three or four other ones—what happened was that incomplete sentences were taken out, only those parts that distorted the remark. Vaclav Klaus said it best when he said: When I read it in Czech—in Czech newspapers—I was horrified, but when I asked for a translation from DER SPIEGEL, then I was satisfied since the remark was positive.

I do not know what the diplomatic note contains. Diplomatic notes are answered diplomatically after the content has become known, and this is how we will reply. With regard to that particular matter—of the Czech side demanding an explanation about some remarks—I will, in turn, have to ask for an explanation of certain other facts. This will be a worse matter.

Commentary on Meciar's Trip

AU2105081093 Bratislava REPUBLIKA in Slovak 17 May 93 p 5

[Dusan B. Kerny commentary: "Prime Minister's Premiere in Washington"]

[Text] Meciar is flying to Washington—there and back, 30 hours altogether—for four reasons. He wants to find out and investigate how much the [Slovak] president has changed Slovakia's image in U.S. political circles, and what impact this will have on the conditions under which Slovakia would obtain loans. He wants to use his trip to improve his position on the domestic political scene, too. Meciar badly needs some success, and the unofficial trip will certainly bring it.

His steps are well planned. The exact date of this visit was known when our president visited the United States at the end of April. Each and every success of the president was a pass to Meciar. Both trips show how fast Slovakia has left the shadows and obscurity of the federation, and how it is managing to move on the international scene for the first time.

If we take into consideration the American press and many reports from the Congress (in Bratislava they say that we should also consider the information activity of the Slovak Embassy in the United States), then the prime minister is entering a lion's den. However, America is a pragmatic country; it can appreciate an eye-to-eye conversation, and knows how to conduct talks. V. Meciar should be clear about where Slovakia belongs, as regards its security, whether it wants to remain in a security vacuum or not. Pragmatic America may pass impartial judgment on pragmatic Meciar. On the Slovak political scene he really is the most American-style politician: A real self-made man, he worked himself in to his position, and he himself is not a part of any establishment.

The attitude adopted toward him will really be an acid test for what Clinton's America really is. Is it the America of the establishment style of Bush's times? Have they finally formulated a concept into which small Eastern and Central European countries would fit? At its strongest time, is it being established as a liberal America, an America of real changes?

Small countries did not have an easy time in Washington not so long ago. Under the former Bush administration, the White House's gate did not open to the prime minister of a Baltic state, and she had to pass through a checkpoint just as any other mortal. During Yeltsin's first visit to the United States, he was smuggled through an underground garage in the backyard—out of respect to Gorbachev—and in the middle of 1991, six months before the disintegration of the USSR, Bush warned 60 million Ukrainians in Kiev against "suicidal nationalism".

Times have suddenly changed. Recently, representatives of small countries were sitting at a reception in the White House on gold coated chairs. It this only a illusory change?

Washington certainly is the best address. Irrespective of the fact that Meciar's visit, as well as Kovac's, is not a visit undertaken at the invitation of the highest official place, the United States should answer Slovakia's problem: Slovakia does not want to remain in a security vacuum in Europe. As long as its structure is not close to that of NATO, Slovakia is not in a safe security system, and is left on its own. The establishment of some security guarantees by former socialist countries, as proposed by the Ukrainian president, smells too much of the former Warsaw Pact. This would bring imbalance and isolation. In the Europe of today, stability and prosperity cannot be based on weapons.

The fact that even his permanent critics have been invited to accompany him in a group of journalists testifies to the fact that Meciar is anticipating the impact of his visit on the domestic political scene. In American English, there is a term "to wave the flag"—to show someone's presence. This is the principal significance of Meciar's trip.

American experience will be to Meciar's great benefit. If he could get rid of the epic quality of his monologues, he would find that the directness of American pragmatism suits his own nature. The point is that he should make this impression on his partners in the United States' capital. Since "his" Embassy has not been able to do so yet (and, in preparing this trip, they are either writing themselves letters of appointment, or have bought themselves a ticket home from Washington), and as apparently such evaluations do not get through from the U.S. Embassy to the State Department, Meciar will have to manage it all by himself.

Visas Not Planned for Former SFRY Citizens

AU2105141393 Prague CTK in English 0812 GMT 19 May 93

[Excerpt] Bratislava May 19 (CTK) [passage omitted] Peter Kuchar, press secretary in the Slovak Interior Ministry, comments in the daily PRAVDA on the possibility of introducing visas for citizens of the former Yugoslavia. He says that unlike the Czechs, the Slovaks are not considering such a move, but it is the Czech Republic's internal affair.

We have not resorted to such administrative measures because we doubt that it would serve our political interests, Kuchar says. He voices the view that such measures should be undertaken in cooperation with other countries concerned and mainly with those from which refugees come. [passage omitted]

Defense Minister on Budget, Ukraine, Russia

LD2305113593 Budapest Kossuth Radio Network in Hungarian 0705 GMT 23 May 93

["World Clock" program presented by Jozsef P. Szabo and Gyorgy Onody with Defense Minister Lajos Fur, and Kalman Lorincz, commander of the Hungarian Army]

[Excerpts] [passage omitted] [Szabo] Could those Scud missiles which the Serbs may or may not possess fall in Hungary or not? [passage omitted]

[Fur] [passage omitted] We do not see this as a danger. We have no information to the effect that the armies of the Serbs or of small Yugoslavia have any Scud missiles. Smaller ones, yes. But those as yet represent an even lesser danger than perhaps the Scuds might. [passage omitted]

[Lorincz] [passage omitted] What we do know, since on the basis of the CFE agreement, within the framework of the CSCE, countries are obliged to state how many offensive weapons they have—Hungary also does this, our Army as well—so for this reason we know that they have Frog missiles. These are of small range; at most they can reach our frontier zones most directly, and in fact no real military objective can be realized with these.

[Szabo] But this cannot reassure the population living near the border.

[Lorincz] I know, I know. Now then, the question of air defense. Naturally, the air defense missile devices, both stationary and mobile air defense missile devices, these are suited to the interception of land based missiles. Naturally this is conceivable in an automatic system where reaction occurs within a few seconds, since the missile has to be tracked from the moment of firing in order for us to be able to annihilate it. Even with our present devices we will be capable of this. Naturally not as effectively as the Patriot type device will do it, which is common knowledge. Even so, I can say that the Patriot itself would not entirely resolve this issue. After all, it is not against missiles one has to fight, but against those launching bases and complexes, which are able to employ these purposefully. We also have the contingency for this, incidentally, in the event of their [Frog missiles] being used. All in all, I do not fear such a great danger in this respect and neither do I see the purpose, the sense, of the other side using these missiles. [passage omitted]

[Fur] Let me supplement what the commander has said, that I naturally fully agree with. There is, on certain points, a slight qualitative difference, that of course does not affect the developmental level of the entire Army's military technology. Let me give two examples, precisely in connection with air defense and the air force.

All our neighbors, and non-neighbors as well, have MiG-29 aircraft. We have only MiG-21s and MiG-23s. They do not have a lot; Slovakia as far as I know has 10 [MiG-29s]; Romania has around 20; the Serbs likewise. But they do have them; we do not.

The other thing is that they have S-300 air defense missiles, that we, on the other hand, unfortunately do not have. But even that is not an excessive number, in other words, not as many as will enable them to safeguard the entire country's airspace, but they do have them. [passage omitted]

[Szabo] I think our average listeners are acquainted with the MiG-29s but perhaps not with these S-300s. What is their real value?

[Fur] They are of the Patriot type, but a little bit more cumbersome, as the experts have explained it to me. [passage omitted]

[Szabo] A lot is said about how much money would be needed for modernization of the Army. How much does the Defense Ministry need? If we could tell the listeners a few secrets about this, they would no doubt be grateful.

[Fur] Very briefly, it is no secret. The defense budget is unfortunately only able, for the time being, to ensure, more or less, the maintenance and safeguarding of the ability to function. One example: About 30-40 percent of all the defense and Army budgets are used for development, and about 60-70 percent on pure maintenance, the maintaining of the ability to function.

In our country for many years now, no more than 8-10 percent has gone on development and the rest is eaten up by daily expenditures. So, here is one big difference. If we wanted this 30-40 percent development ratio, then the next yearly budget should be around 90-100 billion forints at least. However, we know what the country's situation is like. For this reason we are only asking for 75 billion forints, compared to this year's 65 or 64 billion.

I do not know how much of this we will manage to obtain, to realize. There is very little money available. The general staff and the Army command have worked out a long term technical development concept up until the year 2010, and they have added up roughly the amounts that we will need. I dare not say how much it is.

[Szabo] Could this situation be somewhat helped by the series of discussions that, as far as I know, are under way between Hungary and Russia?

[Fur] It would definitely help to some extent, and perhaps not even a little, if the conversion of the commercial debt into military technology could be realized. We are doing everything in the interest of this being concluded as soon as possible. Unfortunately, the matter is still only at the discussion stage.

[Szabo] Are the discussions going on?

[Fur] They are going on. They keep getting interrupted and then they start up again. In essence there are already some outlines which indicate that perhaps it will be possible to make an agreement, that an understanding can be reached. But until now this has not yet happened, although it is now well nigh six months that they have been going on. [passage omitted]

[Szabo] When we talk about the military danger—and this is what happened in our present studio discussion—we generally think of the South Slav crisis, we in Hungary particularly. I think that if we think in terms of strategy a little bit, then there is in this region, at least in the immediately adjacent region, a dark horse, if I may put it that way, and this dark horse is in fact Russia. How do you, the leaders of the Defense Ministry, see Russia's potential role, its actual role, its endeavors in this region? Do you see its eventual return? I do not know if this is the right expression.

[Fur] It is indeed a bit of a dark horse. We know why, we know how many internal problems and troubles there are. But even beyond that, Russia continues to be one of the determining big powers of the region, of Europe, and of Asia, by virtue of its extent, its size, and its enormous military power, which we nowadays tend to forget.

As for what will happen, what directions it will move in, whether it has indeed renounced its presence in the Central East European region, as one can imagine after the troop withdrawals and in view of the struggle with internal problems, it is difficult to determine at this moment.

However, it seems that there are certain signs which indicate that it [Russia] will not gladly renounce its military political power in the region, because of the extent that a power of this size generally has. Let me give one example, connected precisely with the matter of NATO membership.

One of the reasons why we, the member states of the Visegrad [Czech Republic, Slovakia, Hungary, Poland] group, which are given distinctive treatment, both as a group and also separately, individually as its members, likewise at the bilateral discussions and in our relations with NATO or the Western European Union [WEU], the reason why, among other things, is that it is not possible even to request or to presume associate membership or any other kind of membership for the time being is because Yeltsin's Russia is the one that does not agree with this idea. It would not agree with our extending NATO's borders to the borders, let us say, of Belarus or Ukraine, or even beyond that. [passage omitted]

[Szabo] How far does the Hungarian-Ukrainian Treaty increase our security? In general it was the issue of the inviolability of borders that was dominant in the debate around the treaty, but perhaps it has this kind of aspect as well?

[Fur] Yes, although we tried to go the rounds of this as well several times, but one can only repeat certain things, that Ukrainian-Hungarian good relations, the very intimate, good-neighborly relations, are an issue of vital importance from the point of view of Hungary's security, its future security. This has numerous elements. What I said on one occasion, when this issue was being debated in the parliamentary group [of the Hungarian Democratic Forum], was that we have only to look from a military viewpoint at those figures and data which Ukraine possesses today—that Ukraine has 1,600 combat fighter planes, I do not know how many thousands of tanks and of what type they are, I do not know what size [word indistinct], firepower of over 100 mm [as heard], and in addition to that we have not even spoken about the nuclear power and we have not spoken about the immeasurably large military industry which it has inherited.

According to certain estimates 40 percent of the Soviet Union's military industry is on Ukraine's territory. Not to be on good terms with this neighbor, with its population of 5 million, with this market, with this military power, that would be a very, very, distorted, mistaken way of thinking, especially in view of the region in which we live.

Once [Gyula] Illyes [20th century writer] said that unfortunately we are surrounded by a ring of hate. Well, it is not a bad thing if we can break this ring of hate at certain points. This is also an interest of vital importance for Hungary. [passage omitted]

Official Statement on Situation of Banks

LD2105182593 Budapest MTI in English 1606 GMT 21 May 93

[Text] Budapest, May 21 (MTI-ECONEWS)—"Recent press reports on the financial situation of Hungary's commercial banks, in particular the Hungarian Credit Bank (MHB) and the Commercial and Credit Bank (KH), are groundless," an official statement issued today by the National Bank of Hungary stresses.

The statement says that "the liquidity of Hungary's banks is good both in forints and foreign exchange. The banks' audited balance sheets show that they are adequately capitalised even bearing in mind their potential losses. Thus none of them will become insolvent technically or otherwise.

"The situation of the banks is stable. They meet their international financial obligations regularly and promptly. The National Bank of Hungary (NBH), which has foreign exchange reserves in excess of USD 5 billion, is in a position to assist all of Hungary's commercial banks through the Interbank Forex market.

"At the end of last year, through the credit consolidation scheme, the Hungarian state took over classified debts totalling HUF 105 billion from Hungarian commercial banks and replaced these debts in the bank's portfolios with liquid, interest-bearing state bonds. It is, however, true that the banks' equity ratios are still low by international standards. The new credit consolidation scheme now underway, which involves capital increases, will improve this situation," the NBH statement concludes.

Opposition Parties Criticize Economic Plan

AU2105135293 Budapest NEPSZABADSAG in Hungarian 19 May 93 p 5

["G.J.Z."-signed report: "The SZDSZ and the MSZP Do Not Support the Finance Minister's Program"]

[Text] At a news conference held during the break of the parliament's plenary session on 18 May, deputies of the Alliance of Free Democrats [SZDSZ] and Laszlo Bekesi, deputy of the Hungarian Socialist Party [MSZP], expressed their views about the program package presented by Finance Minister Ivan Szabo.

According to SZDSZ Deputy Gyula Gaal, the finance minister only asked the parliament to accept a larger budget deficit. Gyula Gaal thinks that the budget deficit will exceed even the planned 215 billion forints, and the main question is what economic policy justifies such burdens. Gyula Gaal thinks that the government's policy is not a long-term policy, and it again accepts the deficit to maintain the existing system of institutions. The goals for which it is worth taking up such burdens are not specified; nor are the social groups named that would bear these burdens.

Maria Korodi said that, according to the plans, the support given to local government bodies would decrease by 25 billion forints next year. As a result, the local government bodies will not be able to maintain their public institutions and fulfill their social policy tasks.

Gabor Kuncze, head of the SZDSZ faction in parliament, also pointed out that it was not clear for what goals these restrictions should be accepted. According to Kuncze, the finance minister gave a "half-sided" speech, in which he failed to mention several important issues, like the bill on infrastructure investments. Thus, the finance minister cannot count on our support—Kuncze pointed out.

MSZP deputy Laszlo Bekesi said that the finance minister's speech was proof of the failure of the last three years of economic policy. The government did not pay attention to the signs attesting to a drop in economic performance, and this led to the current situation.

Bekesi pointed out that this package deal also served the intentions of the coalition. In his view, a responsible minister cannot say that he gives absolute priority to economic growth. Bekesi thinks that measures aimed at accelerating the economic growth must be in harmony with anti-inflationary and social policy measures, because acceleration in itself could lead to an increase in inflation.

Bekesi pointed out that there was no real importance to the finance minister's intention to put the burdens deriving from the tax increases onto the richer strata of the population. This does not mean a real surplus income and, therefore, this measure will also burden the middle class. Bekesi does not regard the current budget as the main issue, and he complains about the lack of a program aimed at accelerating the economic growth. According to his estimates, this year's budget deficit will reach 280-300 billion forints. Out of this, central deficit will make up 240-250 billion forints, and social security deficit will make up 50-60 billion forints.

No Change in Radiation After Ukraine Explosion

LD2205133693 Budapest MTI in English 1238 GMT 22 May 93

[Text] Budapest, May 22 (MTI)—No changes have been observed in the normal radiation levels in Hungary in the wake of Friday's nuclear power plant accident in Zaporozhye, Ukraine.

This was reported on Saturday by Captain Gusztav Micskey, the duty officer of the Hungarian Army's Chemical Radiation Monitoring and Assessment Service.

Hungarian experts learned about the explosion that shook the nuclear power plant in Zaporozhye, some 1,000 km east of Hungary, from the media.

It seems probable that the explosion did actually take place in a gas receptacle that did not contain radioactive materials, as was reported by Ukrainian Television. Ukrainian authorities have, since the Chernobyl catastrophe, informed the world in a correct manner. Were radioactive materials to escape, this would immediately be evaluated on the international nuclear event scale, and the International Atomic Energy Agency would issue a communique warning those concerned about possible dangers. This did not take place, thus there is no cause for anxiety, Micskey said.

Walesa Comments on Future of Suchocka Government

AU2105121793 Warsaw PAP in English 1641 20 May 93

[Text] Warsaw, May 20—President Lech Walesa announced on Thursday [20 May] that he is prepared to nominate a presidential government composed of independent experts, in the event that the Sejm (lower house) passes a no-confidence motion in the Suchocka government, but then fails to approve a successor.

"We cannot continue as now," the president said in an interview for the Polish press agency PAP. "We cannot have a weak executive power, we cannot have parliament mixed up in the governments business, we cannot be forever amending the budget."

The president stressed simultaneously that Prime Minister Hanna Suchocka managed to do more than could be expected under the present circumstances. "Given the present conditions, the present alignment of forces in parliament, the present (executive) powers, no government would prove better in coping with the enormous tasks," he said.

"We all are responsible for the present situation," the president said stressing that it calls for a preparation of one general plan and greater possibilities for the government to solve the problems faster. "We have to arrange the system in a way allowing our reforms to be better implemented."

The president also pointed to the fact that "the system we have built" has separated the elites from the rest of society which begins to refer to those in power as "they".

The president stressed that he wanted the present parliament to "continue" but on condition that it allows government to proceed, that it stops taking away the executive powers the possibilities to act.

Asked about the possible choice of a new prime minister, the president replied that "there is no person at present who would be able in the present conditions to solve the existing problems in accordance with the expectations of society."

He stressed that Solidarity's demand of a change of government attests to the weakening of the ties linking society with the ruling elites and reflects society's mistrust caused by the unsolved economic scandals and ill-designed plan of exposing former secret service agents.

"Despite the evident facts presented by the prime minister that there is no money (to meet the strikers' pay demands—ed.) people are saying we do not care. There would not be such an answer if people were convinced that they should trust the government and the president who are doing everything that can be done within the limits of existing possibilities."

The president emphasized that the only solution for difficult times in Poland are special powers for the government to rule by decrees. "This does not hamper democracy, this does not limit democracy, this allows to govern effectively," the president said stressing that these matters have unfortunately not been settled yet.

The president noted that, under the constitution he had no right to move for a change of prime minister. "The executive power must be strong, controlled by parliament but subordinated to the president," he declared stressing that parliament ought to give back "that which it denied the president."

The president stressed that the government Poland needs should be composed of experts, especially economists who would solve economic problems at home and help expand foreign economic relations. "Political governments are not so much needed any more."

"I have all the solutions that will be needed and I will apply them when it becomes necessary," President Walesa said in reply to a question whether Ms.. Hanna Suchocka and his chief presidential economic advisor, Andrzej Olechowski, were among his candidates for prime minister in a presidential government.

"Ms. Suchocka was the best prime minister that Poland has happened to have. She did more than I could hope for in the conditions that she had to work. Now, let us wait and see," the president said.

SDRP's Conditions for Supporting Government

LD2205155093 Warsaw PAP in English 1456 GMT 22 May 93

[Text] Warsaw, May 22—The Social Democracy of the Republic of Poland (SDRP) on Saturday announced a list of conditions that should be met for SDRP deputies to support the Hanna Suchocka government. The first condition is the support of the ruling coalition for amending the budget to take into account interests of the public sector.

The SDRP also demands a change in the economic policy "which should be conducive to investments that would increase Polish production, create new jobs and promote exports." the government should also adopt an unemployment combatting programme.

Three subsequent conditions are: solving the housing problem, reduction of expenditures on administration and a personnel policy that would be based on qualifications and not ideology.

In a letter to SDRP members and supporters SDRP leader Aleksander Kwasniewski noted that a vote of no-confidence in the Suchocka government might result in a government crisis, and creation of a government that would be more rightist than the present one. "We may be threatened with vetting, decommunisation and ideological offensive of clericalism as a recipe for economic difficulties and social dissatisfaction," he warned.

According to Kwasniewski, another possibility is a "non-parliamentary government and the opening of a road to the presidential system," in which the left would not have an opportunity to represent effectively the interests of workers.

SLD Conditions for Support

LD2305183893 Warsaw PAP in English 1805 GMT 23 May 93

[Text] Warsaw, May 23—The key conditions under which the Democratic Left Alliance (SLD) would support the government coalition in a no-confidence vote are parliamentary elections in early spring 1994, a preparation of a timetable of the cabinet's works till the time of elections consulted with the opposition, changes in the budget for the benefit of education and health service and a broader access to mass media, an SLD MP who asked not to be identified said on Sunday.

The access to mass media, he added, is required to enable the SLD parliamentarians to explain reasons why they offered support to the government coalition.

In a Saturday letter of the Social Democracy of the Republic of Poland addressed to members and supporters of the party, the issue of the access to mass media was not mentioned as one of conditions of the party's possible support for the government coalition.

Center Accord To Support No-Confidence Vote

LD2205203293 Warsaw PAP in English 1917 GMT 22 May 93

[Text] Warsaw, May 22—The main political council of the Centre Alliance (PC) at its meeting on Saturday asked its parliamentary caucus to support a no-confidence vote in the Prime Minister Hanna Suchocka government, PC leader Jaroslaw Kaczynksi told a press conference.

The council adopted a resolution in which it claimed that "the prospect of the return to power of the post-communists makes it impossible to solve social crisis." The resolution made it clear that the government is seeking support of the Democratic Left Alliance (SLD) and that the Democratic Union (UD), which actually is in power, acts for the benefit of economic and political interests of the post-communist alignment.

The council expressed its dissatisfaction over the decision of one of the commissions of the parliamentary assembly of the Council of Europe to appoint SLD Deputy Wlodzimierz Cimoszewicz as a rapporteur on legal and legislative issues in the countries which had been satellites of the former Soviet Union. Kaczynski told the conference that Cimoszewicz's appointment was "inappropriate because of his connections with the former regime."

In case of a "deep crisis of the state", the council proposes that the Sejm should install an interim government, which would be authorized to prepare early general elections. Kaczynski said that PC would like the elections to be held in Spring 1994. The future government, created by the centre-right parties, would be responsible for introducing common-sense corrections in the budget law and protecting democracy.

Kaczynski said that he is against proposed legislation which lead to the limiting of the trade unions' rights.

Ursus Tractor Plant Joins Strike

LD2105130193 Warsaw PAP in English 1150 GMT 21 May 93

[Text] Warsaw, May 21—Workers at the giant "Ursus" tractor assembly plant outside Warsaw have joined the general strike called by the Mazowsze regional chapter of the Solidarity trade union, in a five-hour protest on Friday which closed down several workshops at the plant. However, production lines of vehicles destined for export, and the "Ursus" commercial department, have not been affected, claimed a representative of the Solidarity Factory Commission on Friday.

In a communique, the factory commission said that it supported the call for the resignation of the Suchocka government and the dissolution of the present parliament. The commission also expressed its opposition to President Lech Walesa's attempts to put forward a presidential government.

The factory commission also attacked what it saw as the attempt by the present ruling elite to extend Communist rule in Poland under the guise of "a grasping form of red capitalism."

Meanwhile, a representative of Warsaw's striking transport workers said on Friday that, despite earlier reports to the contrary, it had not been ruled out that the strike would be suspended after 20 hours, as originally scheduled. However Zbigniew Stelegowski, head of the Information Bureau of Transport Workers Solidarity, said that this would depend on the decision of the leadership of the union's Mazowsze region.

Stelegowski added that it was likely talks with the Warsaw city and regional authorities would begin on Monday.

The transport strike brought chaos to the capitals roads on Friday, with police reporting private traffic volumes over three times higher than normal.

However, the road traffic bureau of Warsaw police headquarters reported that there were no major jams in the city centre on Friday morning, although there were problems on most major access routes. The bureau anticipates serious delays in the city centre on Friday afternoon, which could last until around 1900 hrs.

In a statement released on Friday, Ombudsman Tadeusz Zielinski said that he had no constitutional right to intervene in disputes between employers and employees, or in disputes between the authorities and the trade unions over the governments social and economic policy.

The statement from the ombudsman's press office stated that Professor Zielinski will not take a position on the present strikes. He would however be forced to intervene if any laws or citizens rights were infringed in the event that the dispute exceeded the limits of legal protest.

Mazowsze Solidarity To Suspend Strike

LD2105194793 Warsaw Radio Warszawa Network in Polish 1800 GMT 21 May 93

[Text] The Mazowsze region of the Independent Self-Governing Trade Union Solidarity [NSZZ] has decided to suspend its general strike, as of tomorrow, until a decision is taken by the union's National Commission.

Maciej Jankowski, chairman of the Mazowsze branch of Solidarity, said that 90 percent of the factory commissions joined in the strike. The strike action took many forms. The most painful form for the inhabitants of Warsaw was the protest of the capital's transport [MZK]. The MZK action will be suspended, in accordance with the plan, at midnight tonight.

Economists Ask Walesa Not To Sign Pensions Law

AU2105121493 Warsaw PAP in English 1450 GMT 19 May 93

[Text] Warsaw, May 19—Twenty six economists, including former Polish finance minister and architect of the Polish economic reforms Leszek Balcerowicz and Lech Walesa's top economic advisor Andrzej Olechowski, on Wednesday [19 May] sent an open letter to the president in which they asked him not to sign the pensions law.

"Polish reforms are threatened with a collapse. The decision on their fate is in your hands, Mr. President" the letter signatories claim.

"The law contains solutions, which—when implemented—would have to be a source of disappointment and bitterness for the whole of Polish society. (...) the decision (to sign it—ed.) [as received] would shatter the chances for a real long-term pay growth in the budget-related sector, that is, among others in education and health care," the economists write.

In their opinion, it could cause a return to 1989, the year of skyrocketing prices, shortage of goods, a rapid fall of savings' value and the impoverishment of old and disabled people.

The law, adopted by the Sejm in April 1993, provides for the valorisation of the lowest old age and disability pensions and the reinstatement of branch-related allowances. If implemented, the government would have to increase the 1993 budget spending by 21 trillion zlotys or $1.2 billion dollars.

Walesa Orders Suspension of Szczecin Privatization

LD2105204293 Warsaw Radio Warszawa Network in Polish 1800 GMT 21 May 93

[Text] President Lech Walesa has instructed Deputy Prime Minister Henryk Goryszewski to suspend the privatization of the Szczecin shipyard. This information was imparted by Solidarity 80 Chairman Marian Jurczyk, who, together with accompanying experts, held talks with the president regarding the manner of privatizing the shipyard.

Referring to the strike situation, Marian Jurczyk said that Solidarity 80 supports the demands of workers from the budget-financed sector. At the same time, he declared that individual strikes or even strikes in whole regions or branches would not solve the problem.

Walesa Leaves for Official Visit to Ukraine

LD2405074193 Warsaw PAP in English 0719 GMT 24 May 93

[Text] Warsaw, May 24—President Lech Walesa on Monday morning left for a three-day official visit to Ukraine. Before the departure, he said that while sorting out the domestic problems, the two countries have to promptly take care of a better cooperation as they can help each other in every field, economic, political and even military.

When asked whether he supported President Leonid Kravchuk's proposal to set up a security zone in Central and Eastern Europe, President Walesa said that "as you remember, I have already proposed to set up NATO-2 and I am convinced that if we had implemented (that plan), our continent would be a safer place."

Agreements on expelling illegal immigrants and exchange of information on nuclear failures are to be signed during the president's visit to Ukraine.

Iliescu Views Visit to FRY, Domestic Issues

AU2405105993 Bucharest Radio Romania Network in Romanian 0812 GMT 24 May 93

[Introductory statement by President Ion Iliescu at news conference in Bucharest on 24 May—live]

[Text] [Iliescu] We have not seen one another for quite some time. Well, I will begin my introductory statement with a few remarks about my recent visit to Yugoslavia and then I will proceed with some domestic matters. I do not want to dwell much on my visit to Yugoslavia, since it has already been commented on and reported on at length and [presidential spokesman Traian] Chebeleu has also dealt with it in his briefing.

I would like to emphasize just a few things. Apart from the bilateral component—namely the state visits to Slovenia and Croatia, which are the first visits of this kind since the recognition of their state independence and the establishment of diplomatic relations with these two republics—I took the opportunity to find out directly from the political leaders of the states that have emerged from former Yugoslavia about their opinions on the conflict, the prospects for overcoming it, and finding political solution to these problems.

I think this visit was a good opportunity for us to become aware of the complex nature of the conflict and of the processes taking place in that area, and to realize that a simplistic approach to the matter is counterproductive. As was only to be expected, the approaches and opinions I met there were very varied and often contradictory. However, we tried to retain the common elements that can give us some cause for optimism regarding the decisive evolution of events toward a political settlement of the litigious problems. As a matter of fact, encouraging such an approach was our main concern in the talks that we had with each of the six political leaders whom we met there.

In practical terms, all the leaders with whom I talked believe that, right now, ending the conflict in Bosnia-Herzegovina and peacefully solving the problems in that country are the key issues to solving the Yugoslav crisis. I noted that the principle of observing the territorial integrity of Bosnia-Herzegovina as an independent state is generally accepted, as well as the Vance-Owen plan, although it is interpreted differently by everybody. Nevertheless, this plan is considered to be the only alternative to the continuation of the military confrontation and the only rational basis from which one can proceed with the mapping out of Bosnia's new state organization that can ensure the peaceful coexistence among the three communities living there.

In this respect, I welcomed the agreements reached between the Croats and the Muslims—something that happened actually during my visit—to start the implementation of the peace plan in three of the 10 provinces envisaged to emerge in Bosnia-Herzegovina. Similarly, I welcomed the fact that the Serbs in Bosnia, under the encouragement of the Belgrade authorities, took effective steps to implement the cease-fire agreed upon. As you can see, the situation is not simple. These decisions cannot always be implemented in the field and, as became quite obvious, even the political will of the leadership at the national level does not always have the necessary echo in the field. As a matter of fact, this is the main conclusion that we drew. The start of a military conflict is always accompanied by very high costs. It causes states of tension, distrust, and suspicion that are not easy to overcome later. It becomes very hard to establish mutual trust and dialogue. Therefore, the military path is not productive and reasonable in such situations.

In my talks with [FRY and Serbian] Presidents Cosic and Milosevic, I suggested that similar steps should be taken by the Serbian side in Bosnia-Herzegovina, and that they should urge the leaders of the Serbian community there to take these steps. The two presidents told me that this was the aim of the talks scheduled for the following day with the Bosnian Serb leaders.

As a general conclusion, I could point to the general acceptance of the Vance-Owen plan by the six leaders as a first positive step, in spite of, as I say, the different ways in which this plan is being viewed and interpreted, including doubts on the practicality of setting up the 10 provinces. In this respect, opinions differed a lot, some being quite unrealistic. There is some talk about the possibility of three more or less defined zones, but everything is rather vague. However, I believe that the constructive element of it all, which should be made use of, is that there is agreement on the need to halt the military conflict and find ways and means to negotiate practical solutions for the internal organization of this new state.

What I can tell you is that all the people I met with there appreciated Romania's disinterested position of principle vis-a-vis the Yugoslav conflict, as well as its contribution to stability in the area. They also emphasized the overall importance of constructive support from the neighboring countries for a correct understanding of the real situation and the promotion of a favorable climate for a political solution and the reestablishment of peace in the area.

As you could note, events are moving quite [word indistinct]. Let me quote to you some remarks made by Secretary of State Warren Christopher before the Congress, basically emphasizing the following ideas: The United States will not act alone, since this is a crisis requiring a multilateral approach; second, they consider the Bosnian crisis as basically a European problem; third, the United States will not send ground troops to Bosnia, but will always support a peaceful solution with the participation of all sides involved on the basis of consensus; and the United States will take action to prevent an extension of the conflict. We have often drawn attention to this issue, particularly to the danger that the Bosnian crisis and conflict can pose to the general climate and atmosphere in the Balkans, and the danger of an extension of the conflict, which is a concern for all the countries in the area.

I would like to tell you a few words about our meeting with the representatives of the Romanians living in Vojvodina and Timok Valley. This was the first such meeting of a Romanian head of state with the Romanians there, and was appreciated as such by the representatives of this community. Likewise, I must tell you that, a few days before, they had been received by President Cosic, who was aware of this scheduled meeting on the last day of our visit to Yugoslavia.

I must tell you that the Romanians in Vojvodina are more organized. They have had their own organization for some time. They have communications as well as their own radio and television programs. For the first time ever, the Romanians in the Timok Valley set up their own representative organization, which has now acquired official recognition, and then merged with the other organization of Romanians in Vojvodina. They valued very much the possibility of meeting with the Romanian head of state, were grateful for having been received by the FRY head of the state, and expressed their gratitude for this emergence on the map, as they called it.

They also expressed great interest in maintaining their ties with Romania; of course, they have closer ties to the Timisoara area. We jointly emphasized the need to take steps at central and local levels to ensure that these ties become regular and more sustained. A number of measures have already been taken to invite children from this area to summer camps in our country. We discussed the matter of scholarships for students from that region to come here to learn the Romanian language and literature and to be trained to become teachers and professors in their localities. They also asked for assistance in sending books, literature, and publications for the libraries in all localities down there, particularly classical and contemporary Romanian literature.

I would like to emphasize a basic and fundamental issue of principle, which the Romanians from Vojvodina and I emphasized on the occasion and which President Cosic and I also shared. It was a great mistake on the part of Romania in the past to have ignored the situation of the Romanians in the Diaspora; toward some of them, it even adopted a hostile position, considering them traitors to the motherland, because they left Romania. Neither did our state display a proper interest in older communities established in the neighboring countries. This was certainly wrong. It is our moral duty to know and help these Romanian communities.

In this respect, we always proceed from a basic principle governing the relations of these national minorities with the mother country, namely that these relations should be regulated by several fundamental principles that refer to their status as loyal citizens of the state in which they are living. I believe that this is a basic principle for cultivating relations of trust and good-neighborliness among states. Only thus will the national minorities become bridges of mutual trust and respect among neighboring countries, instead of bridges of suspicion and interference in the domestic affairs of other countries. We have common views with the FRY leadership on this matter of principle.

I wanted to emphasize this aspect because our Romanians in Vojvodina and Timok Valley act as loyal citizens of the state in which they are living and do not consider their ties with the mother country as an expression of distrust in the state whose citizens they are. I believe this is normal and worthy behavior.

Now I am going to talk about a few domestic issues regarding corruption.

First of all, allow me to read a declaration that I want to make public in connection with this issue. Concerning the phenomenon of corruption as a whole, the individual cases that were mentioned some time ago or more recently in the press, a phenomenon that we discussed frequently during the electoral campaign and whose danger I drew attention to as early as 1990, I would like to express my concern and make the following remarks:

1. I want to stress on this occasion, too, that the phenomenon of corruption, through the seriousness of its implications, affects the healthy climate of the social body and might discredit the course of reform and of our democratic system. Therefore, the fight against corruption not only has a moral goal, but political, economic, and human goals as well. That is why this struggle must be organized, supported, and carried to the end.

2. Consistent with this view, I firmly call on the institutions that bear the responsibility to ensure public order and apply the law, such as the Court of Accounts, the Financial Oversight Body, the police, the Prosecutor's Office, and the Court of Justice, to combine efforts to investigate, inspect, and punish all cases of corruption, including those disclosed by the press, in an objective manner and with strict respect for the current legal framework and to make public the results of these investigations.

Placing the law above everything, the struggle against corruption should not be limited to a simple campaign, although this is certainly important, but rather it should acquire a statute of permanence, and it should go down to the root of this evil, to the causes and mechanisms that generate it.

3. The body in charge of public order and investigation, as well as all judicial bodies, should bring to account any person who has been proved to have been involved in acts of corruption or violations of the law, regardless of his former or current position and regardless of his position in the hierarchy of certain institutions. The clarification of various situations should lead to the punishment of those guilty and the clearing of the innocent.

4. I value highly the active attitude of the press in disclosing certain cases of corruption, the objective reporting of the facts, the verification of the published information, and the correctness of the interpretation. All these are conditions that enable the mass media to contribute effectively to the fight against corruption. They must reject the practice of using the rostrum of the press to create diversions and smokescreens, which would stop objective investigation, impose unilateral conclusions, or turn this campaign into a political instrument of accumulation of electoral capital.

The struggle against corruption should be taken out of the political sphere. It is an action in the national interest. The practice of moral indoctrination, as was properly characterized by certain of the press media, and creating diversions with the goal of discrediting and undermining the authority of those state institutions that are called upon to defend legality and apply without hesitation the laws of the country, is very dangerous and has effects opposite to those proclaimed and to the interests of citizens and the society as a whole.

5. I turn to parliament with an insistent appeal that it urgently completes the legal framework that is necessary for the anti-corruption struggle and, where necessary, it should harden the sanctions stipulated by the law. The law of the public employee, the law of the management contract, the law obliging officials to declare their incomes, and other such normative acts are vital for the process of improving the social environment.

6. The struggle against corruption should in no way paralyze the privatization process and the reforms in general. On the contrary, these processes must be supported and continued, because in fact they are the most efficient means of fighting and eradicating corruption. By correctly and decisively concluding the struggle against the evil of corruption, we will return confidence in the ability of our state's legal institutions to ensure the observance of the law and respect for the social order.

This declaration will be published.

Why did I formulate in writing and in a concrete manner this declaration? Because I see that the practice of the distortion and misinterpretation of statements is being used, and I do not wish to be misinterpreted. First of all, I do not need to be protected or defended, I do not need to justify myself, and I do not have any kind of complex when we talk about the struggle against corruption. I have stated this often. As far as I am concerned, I prefer to die a poor man that to be allured by money and wealth. And I believe that this should be the behavior and conduct of every public employee, every public person, and, above all, of every politician.

The emergence of corruption in our conditions has many roots. It has also appeared because of a legislative vacuum, the overlapping of prerogatives of the executive bodies and various legal bodies, including judicial ones, and in the context of a moral crisis of the society, which along with other problems made possible the appearance of various forms of hypocrisy. People who were formerly in charge of propaganda, overnight became anticommunists and false promoters of democracy. Those are corrupt people who talk about honesty and correctness.

I recall that during the Congress of Culture in 1977, I was talking about the way words, deeds, and people's behavior should match. I was unmasking some people's hypocrisy—then, in 1977, not now in 1993—who speak about virtues that they do not possess, corrupt people and mercenaries who speak about honesty and correctness, inflated people who talk about modesty, and impertinent and insolent people who talk about decency. In 1990 I drew attention to the danger of corruption that is brought about by new circumstances. I was pointing to it as a social danger, which appears under a new form as corruption generated by the rush to get rich, parallel with the old forms of corruption that were generated by power in hands of some people. After the 1990 elections," I urged the party that won the elections at that time, namely the National Salvation Front, to start the offensive against corruption. I was saying at that time that it should be a party of incorruptible people. I did not say it just for the sake of it, but because I was fully aware of the processes that take place in our society. I believe that it is necessary that first of all the politicians and the social body should be armed against such distorting phenomena in our society.

Because of the collapse of the system that protected public property—a good or a bad system, whichever it happened to be—which was hastily labelled by some people as a communist system, the most dangerous form of corruption and plundering appeared, through which enormous sums were drained and continue to be drained from the public property for the benefit of certain individuals.

The most significant of such cases are fiscal evasion, customs violations, fraudulent privatizations using preferential treatment in granting credits or contracts with the state, holding phony auctions, practicing disloyal competition, and underevaluating assets put up for sale, and they are phenomena against which we must wage a vehement battle.

The intervention of the president as a guarantor of the Constitution is not efficient if it is not accompanied by joint action by all the bodies with authority in society: legal, executive, and judicial bodies, the press, the church, nongovernmental bodies, and public opinion in general.

I believe that from this point of view the press made an important and positive contribution by drawing attention to certain cases of corruption and alerting the public and the authorities to the extent of this phenomenon as well as to concrete cases.

I understand that the press is annoyed every time I also have to draw attention to the other side of the coin. I am talking about instances when, deliberately or unconsciously, the press has sometimes been used to create smokescreens—as some people justifiable call them—around certain cases. The act of circulating certain inexact and unfounded information, launching accusations without value, and making deliberate use of those accusations for political purposes, all these have a very dangerous effect. I am talking about the denigration and undermining of the authority of state institutions that are called upon to defend the order of the law and the security of people. This becomes very dangerous for self defense, I mean for the self defense forces of the society. There is the danger that the artificial exacerbation of corruption scandals might discredit certain fundamental values of democracy and the reforms. We are not in favor of embellishing reality. But neither are we for a nightmare image about Romania. On the other hand, the freedom of the press should not harm the dignity and honor of the individual.

I believe that the struggle against corruption—and many people have justifiably spoken out in favor of this struggle—must be taken out of the political sphere. As I was saying, it is a national cause, and hence it should be approached from the fundamental principles of the relations that should prevail in a democratic society.

I would also like to say a few words about the law violation phenomena, which are constantly and alarmingly increasing in our society, such as: organized crime, violence, burglary, robbery, rape, smuggling, and arms and drugs traffickeering, which have expanded recently because of the new circumstances in our current life as well as the international context in which we carry out our activity.

We must increase the rigor, determination, and will with which the state bodies that watch over public order should fight these phenomena. This activity also requires the rigorous application of the penal code. If necessary, additional legal measures should also be applied to protect even the employees of public order bodies, investigators, and court of justice personnel, since we can also see acts of violence against the defenders of public order. This is an important requirement for increasing the fighting ability and efficiency of those bodies.

Supplementary measures should be taken to ensure the protection of our state borders against smuggling, thus enabling our control bodies to spot any attempt to transport drugs, armaments, and so forth over the border. One should also strictly ban the carrying of guns or explosive substances by citizens.

Various speculations were made in connection with my presence at the meeting with prefects. I reiterated these principles before the prefects, too, when I particularly referred to the need to extend the measures taken by certain prefect's offices in connection with clarifying the position adopted by some directors and managers of state owned enterprises, who are also involved in private business affairs and have set up their own private limited companies, something that is incompatible with their capacity as public servants in a state-owned or a preponderantly state-owned enterprise. This fatally becomes a source of corruption and fiscal evasion, a source for some people's easy enrichment and for public assets finding their way into the hands of these people.

Finally, both corruption and crime are also generated by the overall difficult situation in the economy. I would like to say a few words in this connection, although I do not agree with the theory that poverty encourages crime. Honest poor people remain honest. As a rule, most poor people are honest people. It is rather the one who has smelled the taste of money and enrichment that falls into the trap of the lure of money and corruption. Neither do I subscribe to the theory that we should not be all that concerned with corruption, since it is a generalized phenomenon in the developed world. Therefore, they claim, the corruption phenomenon is an expression of our drawing closer to the developed countries. I believe neither theory should be endorsed or accepted.

However, what is true is that we are going through a most difficult period in the recovery of our national economy. In this respect, 1993 is probably the most difficult year as well as a decisive moment of the process of reform and transition to the market economy. First, this year is hard because it accumulates the negative effects of the decline in industrial production of the three years since the December 1989 revolution and the disorganization of the industrial production.

These phenomena are also connected with all the internal processes we have gone through during the past three years and with the prevailing unfavorable international economic circumstances. What is more, two important measures of our economic reform program are being implemented at the same time his year, namely the last stage of subsidy cuts and the introduction of value added tax, both of which are necessary elements for placing economic activities on a realistic basis and efficiency principles.

It was mainly the subsidy cuts that have led to a new wave of price increases. Likewise, the wage negotiations should alleviate the social effect of price hikes. However, if we do not ensure the correlation between the salary fund and production and between the nominal salary and productivity, the wage increases might become in themselves an element encouraging and worsening inflationary processes, thus exacerbating this trend at the overall level of national economy. The only way out is to take steady efforts to improve industrial and agricultural production and services, with a view to increasing the supply of products and services, which is the only way—in the conditions of a market economy—to rationally regulate price levels.

The first four months of this year have seen a positive trend in increasing industrial output. This trend should be actively supported. The agricultural year seems to be better this year, thanks to the more favorable weather conditions and the secure financial support for certain summer agricultural operations. Unfortunately, export activity remains rather modest, below the level of imports, something that negatively affects the balance sheet of foreign payments and facilitates the further devaluation of the national currency.

Therefore, it is necessary to coordinate all efforts at the national level and in all economic units to consistently implement the measures stipulated by the economic reform plan. I agree with the views, also expressed in the press, that one should further encourage the privatization process, a key element of the reform, by stimulating all initiatives that better utilize the country's material resources and create new jobs both in the large-scale industry and in small production and public service units. The development of services in towns and villages—particularly those that are production related, such as various repair and maintenance units, which are poorly developed in our economy—are an important reserve and source of incomes as well as a source of absorbing manpower freed by industry. This also applies to the efforts to create a network of boarding houses designed to stimulate mass tourism, thus utilizing the resources of the people's own households, particularly in the mountain and hilly areas and in various other locations around the country.

All this represents a real source, generating new jobs. Ironic comments—regarding my appeal assessing that, within a short time, we could create one million new working places in that branch, thus compensating for the loss of jobs owing to the restructuring of our industry—lack all ground, because those services for the population [tourism] are quite underdeveloped in our country. I mean, look at the structures of all the developed countries. The greatest share of employment is offered in the domain of services and not in that of industrial or agricultural production, as the latter—owing to the increase in labor productivity as a result of the use of modern technology—have a restricted capacity to offer jobs. Thus, an important part of the working force has been discharged from there. However, they have found employment through the development of the public services sector; primarily those with a productive character, the third category of services, but also what we lately call the fourth category—services performed during people's free time.

That is a domain in which private and local initiatives could achieve major development. That is where local administrative bodies could have a major role in turning such local employment resources to good account and creating new jobs that could ensure good incomes both for the population and, generally, to the whole country.

I also think that the authority and responsibility of managers and of the leaders of state-owned companies—starting with company directors and ending with team supervisors—should also be increased. We should do that to reorganize the whole activity according to economic principles based on competence and competitiveness. That is the principle that should serve as a basis for the new management contracts that are to be signed, both with managers of commercial companies and those of public corporations.

The tendency to compensate for the consequences of inefficient economic work by increasing costs, respectively prices and tariffs—which have increased continually lately—damages both the companies themselves and the national economy on the whole. That is why everyone—governmental organizations, economic companies' leaders, and even each employee—should concentrate their efforts on increase efficiency. The activity of trade unions should also be aimed toward that goal, as they can play a constructive role by keeping up a permanent dialogue with the company managements regarding achieving higher efficiency in economy, because that is the sole source of increase in the living standards of the employees and the people.

The executive power and parliament should cooperate more actively to speed up the passing of laws that are necessary to promote economic reform.

The function of each institution that has been set up lately should also be defined more exactly. On the one hand, the State Property Fund, the Private Property Fund, the National Privatization Agency, and the National Development Agency should cooperate more closely among themselves and with the competent ministries, and, on the other, the competent ministries should cooperate better with our banking system.

The issues of our overcoming this crisis and reviving the national economy, of putting an end to decline and boosting production, of reorganizing our economy on a new legislative and institutional basis, and of the proper stimulation of the creative potential of our nation are all common interest issues which ought to be placed above party or group interests.

This is why I would like to address an appeal to all political and social forces, to political parties and trade unions, to company managers, experts, business owners, and small manufacturers, and to all citizens of our country: Let us find the necessary power to surmount, together, the limits imposed by certain divergent interests, by certain circumstances, or by diverse political and ideological opinions! Let us make joint efforts to surmount the current difficult moments—disregarding the form of government, the structure of the government, and the relationship between various political forces—and strengthen the internal stability of the country, revive economic and social life, re-establish the moral character of society, which should be based on human solidarity, a civilized mutual respect among people, and on the trust in our nation's ability to create and regenerate itself!

I sounded a little more pathetic while addressing that appeal, but I think we also need some pathos at such moments. We should not let ourselves be crushed by the real difficulty facing us all. However, we should be aware of reality, try to understand the causes of things, and mobilize the moral power, by the means of which our society is able to overcome such a situation. Because, after all, we have reached a crucial moment in the history of our country and it depends solely on us whether we will manage to emerge victorious from this struggle and offer new hope and new perspectives to everyone, especially to the younger generations, and whether our country could really play the role it should in this part of Europe, as a stabilizing element and a force promoting social progress at the turn of the coming century.

Foreign Media Bulletin: Balkan Crisis 24 May

WA2405180493

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Muslims, Serbs, Croats react to new international peace initiative ... German ambassador reportedly threatens Croatia with sanctions... Serbia tightens rules on refugees from Bosnia ... Serb shells kill 16 in Sarajevo; Mladic protests building of Muslim "tunnel" under airport ... Muslims report Serbian attack on Maglaj ... Croats suspend joint commission on implementing cease-fire agreement with Muslims.

POLITICAL

IZETBEGOVIC DENOUNCES INITIATIVE (Sarajevo Radio): Bosnian President Izetbegovic says he is "stunned" by U.S, Russian, British, French, Spanish plan to establish "safe havens" in Bosnian cities, monitor Bosnian borders ... Saying plan is "absolutely unacceptable" because it rewards "aggression and genocide" by Serbs and forces Muslims onto "reservations," Izetbegovic warns he will no longer "waste time" on "futile" negotiations, calls on Bosnian Muslims "to unite" and "use all possible means" to defend country. (LD2305142993)

KARADZIC COMMENDS PLAN (TANJUG): Calling new peace initiative "more important than may seem at first,“ Bosnian Serb leader Karadzic says plan "clearly“ shows West has "abandoned“ possibility of military intervention, supports "tranformation of Bosnia into three states.“ Karadzic says President Clinton "noted that Muslims should be helped to obtain a territory of reasonable size" in central Bosnia. However, Karadzic objects to provisions calling on Serbs to withdraw from occupied territories, saying Serbs are deployed "mainly on our ethnic territory," and opposes allowing UN monitors on border with FRY, expressing "doubt" that the Bosnian Serb assembly would permit this. (LD2305160893)

FRY LEADERS OBJECT TO MONITORS (TANJUG): FRY President Cosic says that, despite its promise to suspend assistance to Bosnian Serbs, Yugoslavia "cannot accept monitors" on its border with Bosnia as called for in international peace plan. Serbian Assembly President Zoran Lilic says "no reason whatsoever" for "deployment of observers" on its territory, suggests monitors be deployed on Bosnian Serb side of border. (LD2105214993, LD2405111593)

CROATIA REJECTS SANCTIONS THREAT (Zagreb Radio): Head of Croatian president's press office rejects threat of sanctions against Croatia for its actions in Bosnian issued by by five countries sponsoring new Bosnian peace initiative. Press office says threat "obviously an excuse for shedding responsibility for failure" of measures taken by international community so far, declares plan "cannot be considered" a "blueprint" for ending war in Bosnia. (LD2405135993)

GERMAN ENVOY THREATENS SANCTIONS (TANJUG): Citing Croatian daily SLOBODNA DALMACIJA, TANJUG reports German ambassador in Zagreb warned "sanctions will be introduced against Croatia" if UN reports of Croatian atrocities in Bosnia are true. Ambassador reportedly says German Foreign Minister Kinkel also mentioned possibility of imposing sanctions if situation in Mostar "is not brought to order." (LD2305183493)

SERBIA TIGHTENS REFUGEE RESTRICTIONS (Belgrade TV): Serbia orders sending of refugees to "border centers," classification of 150,000 "unregistered" refugees be considered "foreigners" with "no right to aid," restriction of free movement of refugees in Serbia. In future, republic will only accept refugees "from regions threatened by direct war danger." (AU2305160293)

MILITARY

SERBS SHELL SARAJEVO, 16 DEAD (Sarajevo Radio): Bosnian President Izetbegovic says Serbian shelling of Sarajevo killed 16 civilians and wounded 129 in three days, Deputy Prime Minister Zlatko Lagumdzija among the wounded. Serbian forces say Muslim artillery attack killed two Serbs in Sarajevo suburb. Serbian commander Mladic claims Muslims forcing "Serbian civilian POWs" to build "620-meter-long tunnel" under Sarajevo airport. (LD2205204793, LD2205154993, LD2405130193)

MUSLIMS REPORT SERBIAN ATTACK Sarajevo Radio says "nothing left to be destroyed in Maglaj" after Serbian attack, Serbs "fiercely" shelling Gorazde with "inexplicable and silent consent" from international community. (LD2205112093, LD2305182693)

CROATS SUSPEND CEASE-FIRE TALKS (Zagreb Radio): Bosnian Croats suspend work of joint committee implementing cease- fire agreement with Muslims, claim Muslim side has "not fulfilled any of its obligations." Croats say negotiations "pointless" because Muslims only using talks to "gain time" to regroup. (LD245151493, LD2105225393)

BOSNIAN SERBS CITE CROATIAN BUILDUP (TANJUG): Bosnian Serb forces say Croatian plan to attack northern Bosnia "evident from reinforcements in personnel and material" deployed along Croatian bank of Sava river. (LD2305190593)

Serbs Fire on UN Forces Near Brcko

LD2105212293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 21 May 93

[Text] At the Brcko battlefield, Serbian Chetniks have attacked members of the UN Protection Force. At 1430 the Chetniks from [word indistinct] opened fire from Browning and 30-mm antiaircraft guns on the UN observers, who were passing in armored personnel carriers on the Brka-Brod road. The attack took place at Posavina [word indistinct], behind which the international observers took shelter. They immediately informed the Tuzla headquarters of the attack. Amir Deronjic and Nihad [name indistinct] reporting from the free territory of Brcko for RTV Bosnia-Herzegovina.

Demand for Emergency Session of UN Security Council

LD2205214693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 22 May 93

[Text] In connection with intensified aggressor attacks on the territory of Bosnia-Herzegovina, particularly Sarajevo, the Bosnia-Herzegovina Government held a session today chaired by Deputy Prime Minister Hadzi Efendic at which it decided to address the UN Security Council with a demand that it convene in emergency session.

At the same session, Ejup Ganic, member of the Bosnia-Herzegovina Presidency, informed the government about the situation on the free territory of the Republic of Bosnia-Herzegovina, which he toured over the past few days. The details, suggestions, and proposals made in a discussion which followed are to be used for the implementation of measures being taken for the improvement of cooperation with the government bodies and industry on the free territory of the Republic of Bosnia-Herzegovina.

The government of the Republic of Bosnia-Herzegovina demands an urgent session of the UN Security Council which would examine the latest situation in Bosnia-Herzegovina. We are warning that the Serbo-Montenegrin aggressor has recently launched a fierce new offensive on the Republic of Bosnia-Herzegovina. The towns of Brcko, Maglaj, Olovo, and Sarajevo have come under fiercest attacks. From 21 May to 1600 on 22 May alone, 41 people were killed while 236 others were wounded; between 1100 and 1600 on 22 May 4 people were killed while 69 others sustained injuries in Sarajevo alone.

Deeply embittered, we would like to tell the UN Security Council that the intolerable procrastination and complete ineffectiveness of the entire international community has directly encouraged the aggressor who has utterly blatantly violated all UN Security Council resolutions, other warnings from relevant international bodies, and the cease-fire agreement for the Republic of Bosnia-Herzegovina which the aggressor itself signed. In addition, despite the no-fly zone enforcement, helicopter flights have been increasingly frequent by which the aggressor has been bringing in fresh forces and weapons. This, together with details of concentration of fresh forces around Sarajevo, indicates that the Serbo-Montenegrin aggressor has engaged in preparations to launch fresh attacks on the Bosnia-Herzegovina capital at the time of negotiations on the means of implementing UN Security Council Resolution 824.

Such behavior by the aggressor unequivocally shows its absolute reluctance to stop the aggression against the Republic of Bosnia-Herzegovina and accept the Vance-Owen plan; on the contrary, by its declarative peace statements it has continued deceiving the entire international community. We believe that the latest statements by certain prominent international officials have encouraged the aggressor to carry out doing what it pleases without being punished.

The government of Bosnia-Herzegovina demands an urgent and inevitable implementation of the Vance-Owen plan and the taking of all necessary measures envisaged in Chapter 7 of the UN Charter to stop the aggression and to ensure safe return of displaced people to their homes. To this end the Bosnia-Herzegovina government again demands:

First, exclusion of the Republic of Bosnia-Herzegovina from the application of UN Security Council Resolution 713 on weapons embargo, and second, energetic and effective military intervention which would stop the aggresson against the Republic of Bosnia-Herzegovina.

Izetbegovic: Peace Plan 'Absolutely Unacceptable'

AU2305145693 Paris AFP in English 1430 GMT 23 May 93

[Text] Sarajevo, May 23 (AFP)—Bosnian President Alija Izetbegovic on Sunday [23 May] rejected new Western peace proposals for his republic as "absolutely unacceptable," and called on the Bosnian people to "unite and use all the means available."

"We are not going to waste any more time in futile negotiations," he added. "A people which is fighting for existence and freedom, if that people is really fighting, cannot lose," he said.

He was reacting to proposals agreed by U.S., Russian and European officials. The proposals call for more safe zones in Bosnia, international monitors along the border with Serbia, and peacekeepers in Macedonia, Kosovo and Croatia.

Bosnian Information Minister Ivo Knezevic said the agreement was disappointing.

"This won't bring any results, it's lot of talks, but behind there is a void... I expect the international community to do what Serbia wants to be done," he said.

Earlier in the day Bosnian Serb leader Radovan Karadzic said he would respect the international plan, agreed Saturday [22 May] in Washington by the United States, Russia, France, Britain and Spain.

Karadzic told the BBC he would abide by the scheme "provided that our sovereignty is respected." The West had adopted a "more realistic" approach to the conflict in Bosnia, Karadzic said in the interview with BBC Radio.

The Bosnian Serbs "do not feel victorious" after the adoption of the new plan, he said. "We don't want victory, we just want to protect ourselves from Moslem or Croat domination," he said.

The self-proclaimed Bosnian Serb parliament has ignored intensive pressure from Serbia and the international community and rejected a peace plan drawn up by the European Community and the United Nations, dividing the country into 10 ethnically based autonomous provinces.

Call for Unity

LD2305142993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 23 May 93

[Text] Leaders of the four main powers yesterday met and adopted a new joint plan for the cessation of hostilities in Bosnia-Herzegovina. Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, today addressed the citizens of our republic:

[Begin Izetbegovic recording] Citizens of Bosnia-Herzegovina. I am certain that like me, you were also awaiting with trepidation what the big four would say from the distant America. I am certain that like me you have also been stunned by what you may not have clearly heard, but may have guessed from scanty statements. And we heard [passage indistinct] that the people would not be able to return to their homes, that the so-called safe havens would be secured for a part of our population, i.e., reservations and the like.

If that is so, we can only say that the new plan is absolutely unacceptable for us.

If the international community is not prepared to defend the principles that it itself proclaimed, for which it claims to be its foundations, if it is prepared to accept the law of force in international relations and turn a blind eye to the unprecedented violation of human rights and the international law, even rewarding aggression and genocide, then it should openly tell our and its own public, it should issue a new code of behavior in which force will be the primary and the sole argument, and it should make public that the UN Charter and patiently and carefully built statutes of international law are no longer valid.

Citizens of Bosnia-Herzegovina, many people have witnessed that we have done everything to avoid the war, and when the war broke out, to find a way to restore peace. But this can only be a fair peace, which as a minimum requirement includes the return of occupied territories and the return of our suffering population to their homes. Without this there can be no peace.

By signing the Vance-Owen peace plan we said our last word, our minimum requirement, below which we are not going nor are able to go. We are no longer going to waste our time on futile negotiations: Instead we will turn to our own people, to all citizens who love this country, who carry Bosnia-Herzegovina in their hearts. We will appeal to them to unite and to use all permissible means to defend the independent and sovereign Bosnia-Herzegovina, its integrity and freedom.

Dear citizens, the world has not left us much choice. I believe that I share your thoughts and feelings when I say that we are not going to bend our head and that we wiall take the risk of a struggle for freedom and dignity. Do not fear and do not doubt, a people struggling for survival and freedom, if its struggle is genuine, cannot lose. Thank you.

Karadzic Responds

LD2305173793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1656 GMT 23 May 93

[Text] Pale, 23 May (TANJUG)—"Mr. Alija Izetbegovic has called the Muslim people to an all-out war. I am inviting Mr. Izetbegovic and the Muslim people to play soccer. It is much better to have a showdown on the soccer field then on the battlefield"—this is what Radovan Karadzic, president of the Serb republic [of Bosnia-Herzegovina], said in a brief statement for TANJUG in connection with an invitation from Bosnian Muslim leader Alija Izetbegovic to citizens of the former Bosnia-Herzegovina to struggle for "an integral, independent, and sovereign Bosnia-Herzegovina."

The Bosnian Serb leader was playing in a soccer game with the staff of the SRNA news agency when a TANJUG correspondent contacted his office for comment on Izetbegovic's radio address to the nation in connection with the Washington declaration by the five foreign ministers. Karadzic interrupted the game and made the following statement:

"As you can see, the territory of the Serb republic is peaceful enough to allow us to play soccer. Our wish is for peace to prevail in the territory of the former Bosnia-Herzegovina."

New Plan Seen Making Muslims 'Biggest Losers'

AU2405095093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0800 GMT 24 May 93

[Text] Last night's guest in Radio Television Zagreb's program Frame Over Frame [Slikom na sliku] was Mirko Galic, NOVI VJESNIK correspondent in Paris. He commented on the latest UN peace plan for Bosnia-Herzegovina.

[Begin Galic recording] This plan calls for firmness, but it does not come up with any new measures. The only measures it provides are old measures: economic sanctions, pressure on Serbia to exert pressure on the Bosnian Serbs, nothing new. The other contradiction is [words indistinct] that with this agreement [word indistinct] deviates from the Vance-Owen plan, yet at the same time insists on its implementation. It is questionable what effect it will have first with the Serbs, the Bosnian Serbs, then the Bosnian Muslims, something we have had a chance to see, and the Bosnian Croats, because if this plan is still open, if it leaves open the possibility of negotiations, if it gives the Bosnian Serbs a chance to get most or all of what they have conquered by war, then it can have no other effect than to motivate further fighting.

Therefore, [word indistinct] is that it calls for a cessation of fighting, while at the same time provides a chance for the battles to continue. If the plan were to be read in the way it has been drafted, therefore, if it has no hidden thoughts, or if nothing is written between the lines, then the Bosnian Muslims are, at least from this surface aspect, the biggest losers. Why? Because the realization of the Vance-Owen plan in its territorial sense is not guaranteed or respected. Who says that the Serbs will withdraw, and when? There is no answer. Probably the other reason for Alija Izetbegovic's anger, justified anger, is in the fact that with its provision of putting the Muslim population into safe zones the plan is not satisfactory; it is some kind of guarantee, but it is small compared with what Izetbegovic expected of the world.

This feeling of being abandoned most certainly strengthens radical feelings in everybody, and therefore also in the Bosnian Muslims, although—according to the insight you or I might have, or someone who views things like yourself or myself—they did not harbor any radical feelings. These Muslims have European experience, these Muslims have a Slav heritage. Except in [word indistinct] minor cases, they did not have a tradition or (?desire) for the creation of fundamentalist, religious concepts, or religion transformed into politics.

The question is whether this is what is currently happening, whether this (?rift) you are aware of will lead to a strengthening of this powerlessness, desperation, hopelessness. It is such psychological circumstances that give rise to the most radical possible [word indistinct]. This idea of placing Bosnia- Herzegovina under a United Nations protectorate could be one of the solutions that could, provided there is a desire for mutual existence, remove the most important [word indistinct]. [Word indistinct] a legal (?structure) of the future state, therefore, it might have some prospects, but it would at least have to have the support of all those countries who have now given their support to this agreement from Washington, which, as we can see, is now causing very controversial reactions. [end Galic recording]

Karadzic Welcomes Peace Plan, Clinton Statement

LD2305160893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1521 GMT 23 May 93

[Text] Pale, 23 May (TANJUG)—In connection with a declaration that was adopted in Washington yesterday evening by the foreign ministers of the five countries [United States, Russia, Great Britain, France, and Spain], Radovan Karadzic, president of the Serb republic [of Bosnia-Herzegovina] told TANJUG that this document is "more important than may seem at first sight, more by what it is leaving behind than by what it is initiating."

"This declaration obviously represents the abandoning of the use of force, i.e. coercion, against one of the warring sides. It accepts that this is a civil war and primarily seeks solutions to stop the war, and only after that will political and territorial solutions be sought," Karadzic said.

He added that the only provision of the declaration—the one referring to the withdrawal of Serbs from occupied territories—"is imprecise because the Serbs cannot occupy their own territory because our army is deployed mainly on our ethnic territory. But in any case this declaration followed by a statement by President Clinton this morning that the Muslims ought to be helped to gain a reasonable territorial entity clearly speaks of the fact that the option of interfering in the civil war has been abandoned and that the transformation of Bosnia into three states ought to be initiated whereby the Serbs and the Croats should facilitate the Muslims in obtaining a territory of reasonable size, most probably in central Bosnia where the Muslims make up a majority. I believe that in the long run this declaration is much more important that it may look," Karadzic said.

Asked to comment on U.S. President Clinton's statement that the United States will not get involved in the war in Bosnia on either side, either unilaterally or bilaterally, Karadzic said this shows that President Clinton "is a very wise man, and that he has not given in to calls by 'the hawks' who have been challenging him and simply pushing him to push the United States into the misfortune of a Balkans civil war."

"This is a statement that we have been hoping for from the U.S. side for a long time, and I believe President Clinton has definitely rejected warmongers and reduced their importance in his policy."

Asked about the importance of the five countries' document in the context of the global peace process and the possibility for a final solution, the president of the Serb republic said:

"I think that following this resolution it is finally clear to the Muslims that there will be no unitary Bosnia under their domination. It is also clear that there will be no military intervention. These are the two issues that have made the Muslim leadership persevere in the war option.

The Muslim leadership should now understand that it would be best for them to stop losing people and territory and to sit at the negotiating table with the Serbs and Croats in order to be helped. President Clinton noted that the Muslims should be helped to obtain a territory of reasonable size. I welcome such a stand, and I publicly call on [Alija] Izetbegovic and [Mate] Boban to join us at the negotiating table, to begin bilateral or trilateral negotiations and to enable Muslims, us Serbs, and Croats to round up Muslim territory in central Bosnia. If Izetbegovic rejects this now, it is clear that he is leading his nation along the path of complete obliteration and destruction of their chances to obtain some kind of territory," Dr. Karadzic said in conclusion to TANJUG.

Croatian, Bosnian Commands Pledge Cooperation

LD2205213693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 22 May 93

[Text] There have recently been clashes between units of the Army of the Republic of Bosnia-Herzegovina and formations of the Croatian Defense Council [HVO] in Herzegovina and central Bosnia. It is our enemy—the Serbian and Montenegrin aggressors and Chetniks—who benefit most from these clashes, a statement released by the information service of 1st Corps of the Army of Bosnia-Herzegovina and the press service of the HVO in Sarajevo says.

Bearing this fact in mind, the command of the 1st Corps and the Command of the HVO of Sarajevo have continuously organized meetings and talks in order to prevent these clashes from spreading into the city of Sarajevo. They have agreed that their struggle against the Chetnik aggressors and the liberation of the city of Sarajevo are their shared aims and tasks. To this end, a number of measures and activities have been carried out jointly to prevent clashes and to consolidate their shared lines of combat, and particularly to suppress rumors aimed at creating mutual mistrust and undermining the combat preparedness of the city's defenses.

According to one of these rumors, fighters and units of the HVO are being deployed near Sarajevo. The fact that units of the Army of the Republic of Bosnia-Herzegovina and the formations of the HVO are ethnically mixed testifies to a commitment to joint struggle and to the survival of Sarajevo as an open city that has always been open and will remain open to everyone who wants to live in it, regardless of their religious, national, or other affiliation.

The Command of the 1st Corps and the Command of the HVO of Sarajevo will take part more actively in curbing the clashes, as it will fully contribute to the creation of joint commanding bodies—not only in Sarajevo, but across the entire territory of the Republic of Bosnia-Herzegovina.

Germany Resumes Aid Flights; 8 Pallets Dropped

LD2405073893 Berlin ADN in German 0111 GMT 24 May 93

[Text] Frankfurt/Main (ADN)—Aid flights by the German Air Force to eastern Bosnia were resumed last night after a one-day break to redefine the drop zones. The German Transall plane on its 53d flight was carrying eight pallets with a total of six metric tons of aid, the press center of the German Air Force in Frankfurt and Main stated this morning. According to the press center, within the scope of the "Provide Promise" relief action about 3,250 tons of foodstuffs and 82 tons of medicines and medical equipment have been dropped for the population of eastern Bosnia without incident.

In addition, the Air Force made two flights from the Italian base of Falconara yesterday, taking about 12 tons of aid to Sarajevo.

Izetbegovic Views Medjugorje Talks Results

LD2305173593 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 23 May 93

[Text] Following the talks in Medjugorje, Bosnia-Herzegovina Presidency President Alija Izetbegovic told HINA [Croatian news agency] that the solutions adopted in Medjugorje must be viewed in the light of events which occurred before the talks there. According to him, there was great pressure from the serious war clashes in Mostar, between Mostar and Konjic, and in central Bosnia, threatening to flare up into a war which would probably create a very serious situation in the Republic of Bosnia-Herzegovina.

The conflict in Mostar was probably inspired by the wish to create some kind of fait accompli, Izetbegovic said, and added: We accepted the suggestions to form a single joint command in the battlefield, to halt the clashes, to release civilians and prisoners, and to reopen roads because humanitarian aid convoys could not get through for a long time. The political measures envisage the urgent formation of provinces replacing a quasi-state which started to be established there, which put the state of Bosnia-Herzegovina in jeopardy, and created the semblance of a civil war.

The military and political decisions we adopted should be implemented as soon as possible, in an effective and consistent fashion, Alija Izetbegovic stressed at the end of his statement.

Foreign Minister Silajdzic Critical of European Stand

LD2105203393 Riyadh Saudi Arabian Television Network in Arabic 1830 GMT 21 May 93

[Interview with Bosnian Foreign Minister Haris Silajdzic by unidentified correspondent in Sarajevo; date not given—recorded]

[Text] [Correspondent] Your Excellency Dr. Haris Silajdzic, foreign minister of Bosnia-Herzegovina, are you satisfied with the Medjugorje meetings between Muslims and Croats?

[Silajdzic] This depends on the results. We agreed more than once on some matters that were not implemented. This is a start that can be a positive one if there is seriousness in implementing this action. We have begun implementation of the Vance-Owen peace plan and program.

[Correspondent] But are there guarantees that this agreement will not meet the same fate as the previous plan that were not respected?

[Silajdzic] Of course, there are no guarantees other than those of the international community, the guarantees of the United Nations, the guarantees of the UN Charter. Regrettably the resolutions and guarantees of the Security Council were not implemented.

[Correspondent] How do you interpret the European rejection of the serious U.S. attitude? Does this fall within the context of the U.S.-European disagreements, or is it possible to consider this a negative European stand toward the issue of Bosnia-Herzegovina?

[Silajdzic] The U.S. Administration has indeed tried and continues to try to take practical, effective measures. There is no doubt here. However, Europe—and in particular the British and French Governments—has opposed all those attempts. Thus many quarters in the United States, Europe, and France also, have begun to explain this by saying that this happens because the majority of victims in Bosnia-Herzegovina are Muslims.

[Correspondent] To what extent can you stand fast in the face of two fronts: the first Serbian, the other Croatian?

[Silajdzic] Only God knows. We have been standing fast to this day and, God willing, we will continue to stand fast.

[Correspondent] Your excellency the minister, a final question that is perhaps a harsh one, but it must be asked: Have you lost the war?

[Silajdzic] Of course not. We stood up unarmed to a complete army. We stood up to European collusion. We stood up to the international moral weakness that we are living through at this moment. We still exist. All these meetings only indicate that Bosnia-Herzegovina has stood fast successfully in defense against repeated Serbian and Croatian aggressions.

Karadzic Dubious on Deployment of Border Observers

LD2305175093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1647 GMT 23 May 93

[Text] Belgrade, 23 May (TANJUG)—In an interview to SRNA today, Radovan Karadzic, president of the Serb republic [in Bosnia-Herzegovina], expressed doubt about the possibility of accepting the deployment of observers on the border between the Serb republic and the FRY.

Commenting on Article Three of the declaration from Washington by the five foreign ministers, which envisages border control between the FRY and the Serb republic, President Karadzic stressed that a decision on this can only be passed by the People's Assembly, seeing that an earlier assembly decision banned the presence of foreign troops on the territory of the Serb republic.

"A new decision on this should be passed by the People's Assembly; I doubt that it will, because by passing such a decision we would lose our sovereignty. The only solution is to accept the U.S. proposal and control the borders from the air," he said.

Bosnian Serb Chairman Proposes New Conference on B-H

LD2305174393 Belgrade TANJUG in English 1725 GMT 23 May 93

["Pool" item]

[Text] Kragujevac, May 23 (TANJUG)—President of the Parliament of the Bosnian Serb Republic Momcilo Krajisnik said on Sunday that the current confusion in the world in regard to the resolution of the crisis in the former Yugoslav Republic of Bosnia-Herzegovina necessitated a new conference aimed at finding a more just solution.

In a statement to a local radio station in Serbia, Krajisnik did not go into the proposal in detail. But said only that "all institutions and personalities have been informed about the proposal," and that "some of them have proposals that would be more acceptable to the Serb side."

The leaders of the Bosnian Croats and Moslems have signed the Vance/Owen peace plan under which Bosnia-Herzegovina would be divided into ten provinces, but hundreds of people have died in the fighting over territory which subsequently broke out between the two sides, erstwhile allies in the fight against the Bosnian Serbs.

The Bosnian Serbs' Parliament has adopted a declaration supporting a continued peace process, but they have rejected the Vance/Owen plan.

The Serbs say they have the most to lose by the proposed territorial division—they would be left with just one-fifth of the republic's resources and 43 per cent of its territory, although land registry records indicate that they own 64 per cent of the land. Almost one-half of all Serbs would live in non-Serb provinces, their provinces would not be contiguous, and their vital land link with Serbia would be severed. The Serbs have also concluded truces with the other two sides that are generally holding.

President of the Bosnian Serb Republic Radovan Karadzic last week suggested mediation in the Bosnian conflict by former U.S. Secretary of State Henry Kissinger and former Russian President Mikhail Gorbachev. Kissinger has said publicly a number of times last week that instead of insisting on a common state for the Bosnian Serbs, Croats and Moslems, Bosnia-Herzegovina should be divided into three ethnic entities.

Gorbachev said that he accepted Karadzic's invitation in principle, but that he had at the moment of speaking not received any official request.

Croatia Planning To Attack Northern Borders

LD2305190593 Belgrade TANJUG in English 1839 GMT 23 May 93

["Pool" item]

[Text] Banja Luka, May 23 (TANJUG)—The Bosnian Serb Army said on Sunday that Croatia was getting ready to attack the northern borders of the Bosnian Serb Republic, which was evident from reinforcements in personnel and material being brought in daily to the left bank of the Sava River, which forms a natural boundary between the two republics.

The source said in Banja Luka that the Croatian Army was bringing in rubber dinghies and diving equipment at Brod and Orasje in northern Bosnia, and specified that the 111th Croatian Brigade had been brought in from Rijeka.

According to the Bosnian Serb Army, a possible reason for the deployment of fresh troops might be neighbouring Croatia's intention to seize by force a hefty chunk of the Sava River valley in the Bosnian Serb Republic which, under a peace plan devised by international mediators Cyrus Vance and Lord Owen, should be given to Bosnian Croats.

Croatia has had at least 60,000 troops in Bosnia-Herzegovina since the outbreak of the war 13 months ago, fighting chiefly in western Herzegovina, without the West so much as reprimanding it for this has made it possible its involvement until recently. [Words indistinct]—Herceg-Bosna—which boasts the state symbols, laws and currency of neighbouring Croatia. The Croats had first ethnically cleansed their new state of its native Serbs and are now persecuting the Moslems.

Serb refugees coming in to Banja Luka from Zagreb testify that Croatia is forcibly mobilising its local Serbs for the fronts in Herzegovina and the Sava valley. The refugees say that 400 Serbs have received mobilisation orders, and those who have disregarded them are considered to be deserters and wanted by Croatian military police.

Croat-Muslim Accord on Units' Withdrawal to Barracks

LD2305191193 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 23 May 93

[Text] In line with the Medjugorje agreement, the joint commission of the Croatian Defense Council [HVO] and the Bosnian Army, agreed in Mostar today that, after lining up under the escort of the UN Protection Force [UNPROFOR], all units should withdraw to preassigned barracks; the HVO units to the Tihomir Misic and Heliodrome barracks, and the Bosnia-Herzegovina Army units to the Juzni Logor and Konak barracks. The withdrawal is expected to begin tomorrow, and control of the town will then be taken over by the civilian police, with the help of UNPROFOR's civilian police.

Sarajevo Shelling Continues; One Killed

LD2305203693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 23 May 93

[Text] The center of Sarajevo, suburbs of Stari Grad, and Vogosca municipalities and the free territory of Ilidza municipality came under artillery fire today. At about 1800, Chetniks sent several shells toward Centar municipality. One person was killed and several people wounded in the attack. At the same time, the aggressor launched an intense artillery attack on Hrasnica, Sokolovici, and Butmir, where four people were seriously wounded. At about 2000, the Chetniks shelled Hrasno hill. As we are filing this report, Sarajevo is relatively quiet with sporadic enemy provocations directed at the Novi Grad and Vogosca defense lines.

'Chetnik' Attacks Detailed

LD2205214893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 22 May 93

[Excerpts] The number of civilian casualties in the wake of today's Chetnik attacks on the center of Sarajevo, this massacre, is over 100 wounded citizens and nine dead. This is yet another act of savagery inflicted by the aggressor hordes on the citizens of Sarajevo. [passage omitted]

There was no peace, either, in the free territory of Ilidza, where five people were killed by Chetnik shells today. Two general danger alerts were sounded earlier on today. [passage omitted]

Children Wounded

LD2105210193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 21 May 93

[Excerpt] The enemy again demonstrated all his cruelty this evening in our capital city. After 2030 four shells were fired in to the center of Novo Sarajevo. The tragic consequence of the Chetnik attack is nine injured children, two of them seriously and one girl critically. [passage omitted]

Izetbegovic Writes Security Council

LD2205204793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 22 May 93

[Text] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, has sent a letter to Yuriy Vorontsov, chairman of the UN Security Council, saying:

Despite a cease-fire agreement and negotiations between army commanders on the implementation of UN Security Council Resolution 824, which proclaims Sarajevo a safe haven, aggressor attacks on the city have continued. They particularly intensified over the past three days, when 16 civilians were killed and 129 others wounded, including 36 children.

Today—on the day when we are marking the first anniversary of the admission of Bosnia-Herzegovina to the United Nations—its capital is being shelled from all sides. By 1600, when I am sending this letter, nine people were killed and 103 others, including 27 children, wounded in Sarajevo. One of the seriously wounded citizens is our Vice Prime Minister Zlatko Lagumdzija.

Please inform the Security Council about the aforementioned, so that the further killing of innocent people stops, Izetbegovic's letter sent to Vorontsov, Russian Ambassador to the United Nations and the UN Security Council chairman, says.

Muslim Attacks Reported

LD2205154993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1432 GMT 22 May 93

[Text] Belgrade, 22 May (TANJUG)—Two civilians were killed in a Muslim artillery attack on Grbavica and the Jewish cemetary which was launched at about 1300 today, SRNA reports quoting the information service of the Sarajevo and Romanija corps [of the Army of the Serb Republic in Bosnia-Herzegovina].

In the attack, the Muslim forces fired dozens of mortar shells and grenades from their positions on the right bank of the Miljacka River.

Five civilians were wounded in Vogosca in a Muslim artillery attack launched from Zuc, while four others were wounded in the Pejton part of the suburb of Ilidza when an 82-mm mortar attack was launched from Kovac and Glavogodina.

A general alert is still in force in Ilidza.

Snipers have also been active today in Vogosca and Ilidza, the statement says.

'Chetnik' Shelling of Gorazde Resumed

LD2305182693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 23 May 93

[Text] After a lull of several days, the inhabitants of Gorazde have returned to harsh reality, losing five innocent lives. Enes Musovic reports:

[Musovic] Medjedja, Ilovaca, and the town of Gorazde were fiercely shelled. One boy was blown to pieces by a howitzer shell and one woman was killed in her house [words indistinct]. Four persons, including an eight-year-old boy, have been seriously injured. Doctors from the Gorazde clinic are now trying to save their lives.

The Chetniks have been blatantly violating the cease-fire in southeast Bosnia today. It should be clear now that the killing of civilians is continuing with the international community's inexplicable and silent consent.

Two Killed

LD2305113793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 23 May 93

[Excerpt] The aggressor has violated the cease-fire in the Gorazde region. This morning, the Chetniks based in the vicinity of Rogatica shelled all villages on the territory of Gorazde. Two people were killed and four others sustained serious injuries. Many houses were destroyed. The civilian population is still dying of starvation. [passage omitted]

Serbian Forces Attack, Destroy Maglaj

LD2205112093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 22 May 93

[Text] Maglaj is still being destroyed [words indistinct]

[Unidentified correspondent] There is nothing left to be destroyed in Maglaj. Several civilians were killed and scores wounded in the past 24 hours. It is impossible to provide treatment for all the wounded. Indeed, we do not have complete information about the number of killed and wounded.

Defenders are monitoring a fresh build-up of enemy forces and equipment.

Well-informed sources confirm that forces from Serbia, the so-called Srem Guard, a special force that is plundering even Serb houses because it has not managed to move our defense lines by even an inch, are involved in this bestial offensive.

Serbian propaganda over Belgrade television is feeding the fear of Serbs on free territories, specifically in Tesanj, with lies that Serbs are being forcibly mobilized and are being trained by mujahedin, which of course is far from being true, but the alleged threat to Serbs has always been used as a pretext for attacks. Now this unbelievable lie is becoming an excuse for cease-fire violations and fresh conquests.

Despite propaganda and lies, defenders will firmly and resolutely defend their free territory, and even Serbs who are here are equal with all other nations and citizens.

Mortars, and occasionally tanks, are deployed intensively on the Tesanj and Teslic battlegrounds. Antiaircraft guns open fire as usual. Sniper fire is frequent.

All the aggressor's movements are followed closely, and their attacks yield no results.

In the zone of responsibility of the Doboj defenders and the 110th Usora Brigade of the Croat Defense Council, scouts noticed an enemy antiaircraft gun placed in [words indistinct] opening fire on UN planes patrolling the Bosnia-Herzegovina skies.

Shells, Gas Used

LD2305114993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 23 May 93

[Excerpts] At 0525 [0325 GMT] today, the aggressor launched a heavy attack on Maglaj, using all weapons at its disposal. The town is literally burning. Over 2,000 shells have hit the town so far. There are many casualties among the civilian population. The aggressor has also used poisonous gases in its attacks.

[Unidentified correspondent] Help must be provided for the town of Maglaj immediately. The earth under this completely devastated town is shaking with explosions from shells, while the sights of deserted streets strewn with rubble are reminiscent of horrific scenes of the hell of Vukovar. The beastly fascist units of the Yugoslav People's Army and Serbia, together with Seselj's private army and local outlaws are not stopping for a minute: Artillery of all calibers based in over 10 combat positions has incessantly been pounding civilian targets. [passage omitted]

We are calling on the Presidency of our state to urgently demand help for the civilian population, and that UN Protection Force units come to this town to see for themselves all its suffering. Convoys with food, medicines and other material are needed, not only in Maglaj, but also on the entire free territory of Tesanj, Doboj, and Teslic, which have mercilessly and incessantly been pounded from all directions.

I am reporting from the information center of the operative group seven-south of the 2d Corps of the Bosnia-Herzegovina Army.

Izetbegovic Links Mostar Status With Weakness of Army

LD2205224793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 22 May 93

[Text] President of the Bosnia-Herzegovina Presidency Alija Izetbegovic today visited the association of Mostar's citizens. They had invited him as they wanted to learn firsthand his explanation of some unclear details about Mostar's status and the fate of its people. Izetbegovic said that it was difficult to take the latest decisions regarding Mostar. The situation, however, demanded quick solutions without thorough consultations.

The Presidency president stressed that the problem of Mostar has to be solved in a peaceful way, that is, through negotiations, since the Bosnia-Herzegovina army is not powerful enough to resist a well-armed enemy. They hold their ground well but, according to President Izetbegovic, in the long term they are not capable of withstanding attacks launched by a far better armed and more numerous enemy that can send in reinforcements at any moment.

The conclusion made during the talks at the meeting with Izetbegovic suggests that high-ranking officials should meet people as frequently as possible since they people do not think along ethnic lines but are committed to live together with all honest people.

Muslim-Croat Commission in Mostar Suspends Work

LD2405120793 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 24 May 93

[Report from Mostar by correspondent Slavko Rako]

[Text] After five days the work of the mixed Muslim-Croat commission in Mostar has been suspended, it has been learned unofficially from sources close to the southeastern Herzegovina operational zone. The commission's task was the implementation of the Medjugorje agreement between the Croatian Defense Council [HVO] commander, General Milivoj Petkovic, and the commander of Muslim forces in Bosnia-Herzegovina, Sefer Halilovic. So far the Muslim side has only partially respected the cease-fire agreement and released a small number of arrested [Croatian] civilians and no HVO soldiers.

On the other hand, HVO representatives released all the evacuated [Muslim] civilians and imprisoned Muslim soldiers. The HVO also unilaterally withdrew some of its units to the barracks in accordance with yesterday's agreement on the withdrawal of Muslim and Croat troops to their barracks.

It is expected that during the afternoon the command of the southeastern Herzegovina operational zone will issue a statement on the suspension of work of the mixed commission.

The morning was mainly quiet in Mostar but was only interrupted by sporadic small arms fire.

Boban Presents New Map Dividing Croats, Muslims

LD2205134393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1226 GMT 22 May 93

[Text] Banja Luka, 22 May (TANJUG)—Quoting "sources close to the Croatian Defense Council [HVO] of the Croat Community of Herceg Bosna," the information service of the 1st Krajina Corps of the army of the Serb republic reported today that Mate Boban, the leader of the Bosnia-Herzegovina Croats, presented a new map dividing central Bosnia at a meeting with his military commander held in Grude.

The new map envisages that the HVO takes up positions between the Neretva and Usora Rivers so that the area west of this line will belong to Croats and the area east of the line to Muslims.

Boban presented these maps as "accepted at the Izetbegovic-Tudjman meeting in Medjugorje."

According to the same source, Boban advised his commanders to allow the free passage of the Croatian-Turkish mission so "that it can inform Muslims about the Medjugorje agreement." The mission is due to visit Zenica, Travnik, Busovaca, Tesanj, and some other areas.

Muslim Leader Says Croats Seek 'Quasi-State'

LD2205034393 Belgrade TANJUG in English 2305 GMT 21 May 93

[Text] Belgrade, May 21 (TANJUG)—Bosnian Moslem leader Alija Izetbegovic said on Friday that Bosnian Croats had tried to use the tactics of the accomplished fact to create their own state in the territory of Bosnia-Herzegovina.

"The Moslem-Croat conflict in Mostar is an attempt to establish a quasi-Croatian state of Herzeg-Bosnia," the Bosnian Serb News Agency SRNA quotes Izetbegovic as saying at Sarajevo Airport after returning from the Croatian capital Zagreb.

Under Zagreb's patronage, Bosnian Croats have proclaimed their own state—Herceg Bosna—in western Herzegovina where they constitute the majority population, with Mostar as its capital city.

Izetbegovic said Bosnian Croat leader Mate Boban was chefly to blame for the Moslem-Croat conflict and added that his view was shared by the entire world.

A prevalent view in the world after the Moslem-Croat fighting in Mostar and in parts of central Bosnia has deen that this is in fact a civil war, said Izetbegovic.

"This has prompted many of our friends to start abandoning us because we have not succeeded in convincing them to the contrary," he added.

Until the Moslem-Croat fighting flared up three weeks ago, Izetbegovic had claimed that the war in the former Yugoslav republic of Bosnia-Herzegovina was triggered by "the Serb aggression." As of late, however, he has started using the term aggressor for Bosnian Croats too who until recently were political and military allies of Bosnian Moslems.

Muslim-Croat Clashes Continue

LD2305170893 Pale Radio-Televizija Republike Srpske Studio-S Radio in Serbo-Croatian 1300 GMT 23 May 93

[Report from Bileca by Bozidar Stajcic]

[Excerpt] [passage omitted] Muslim-Croat clashes have continued in the Neretva River area. The clashes are somewhat less intense in comparison with the past few days. Only sporadic machinegun firing can be heard in Mostar, but the Jablanica area is echoing with shell explosions. Muslims are constantly attacking the encircled Croat villages of Zaslivlje, Zabrdje, and Turije in the Konjic area where many Croat civilians and soldiers have found shelter after fleeing the town of Konjic. The Croats in these villages are running out of food and medicine. On the other hand, according to Muslim sources, the Muslim villages of Ribici and Sabancici in the area of Jablanica have also been continually shelled. [passage omitted]

Muslims Report Six Villages Burned by Croats

LD2305152993 Belgrade TANJUG in English 1507 GMT 23 May 93

[Text] Belgrade, May 23 (TANJUG)—The local Moslem command in Prozor, central Bosnia, said on Sunday that troops of the Croatian Defence Council (HVO) had burned down six Moslem villages in the Prozor municipality over the past three days.

The Moslem-controlled Sarajevo Radio said nothing was known about the fate of civilians in the villages of Paros, Sklobucani, Lizoperci, Gracac, Farcani and Place, except that nine villagers from Paros, Sklobucani and Lizoperci had been killed.

The radio said that HVO troops were terrorizing Moslem civilians in the Prozor municipality.

The fighting between Moslems and Croats in central Bosnia and in Herzegovina has escalated over the past few weeks and continues unabated despite a ceasefire agreement signed in Medjugorje on Tuesday by Bosnian Moslem and Croat leaders Alija Izetbegovic and Mate Boban. Both the Moslems and the Croats are trying to gain territories in provinces which, under the Vance-Owen peace plan which they both signed, should have a mixed population.

Muslims, Croats Reportedly Violating Cease-Fire

LD2305192993 Belgrade TANJUG in English 1905 GMT 23 May 93

["Pool" item]

[Text] Bileca, May 23 (TANJUG)—The Bosnian Serb Army on Sunday reported cease-fire violations by Bosnian Moslems and Croats in Herzegovina, in the south of the war-wracked former Yugoslav Republic of

Bosnia-Herzegovina. Croats and Moslems were opening fire on Bosnian Serb positions, who did not respond, the source said.

The Bosnian Serb Army in Herzegovina said that Moslem troops had been opening sporadic small-arms fire on the Mostar-Nevesinje front at the Serb areas of Vranjevici and Mt. Velez foothills.

The source said that the Croat troops on the Capljina-Stolac front had been opening small-arms and antiaircraft fire in the direction of Bancici.

Muslim Forces Take Control of Bugojno

LD2405153793 Pale Radio-Televizija Republike Srpske Studio-S Radio in Serbo-Croatian 1300 GMT 24 May 93

[Excerpts] Here is a report by Dragan Stegic in Banjaluka on the situation in the 1st Krajina Corps zone of responsibility.

[Stegic] According to the press center of the 1st Krajina Corps, the aggressor units have continued violating the cease-fire in the corps' zone of responsibility. At the Orasje battlefield Croats opened intense antiaircraft gun and tank fire from Vidovice and Ostra Luka on Serb defense positions in Lepnica and Batkusa. [passage omitted]

The front near Bugojno has been calm, but Serb soldiers observed firing in six locations in the enemy villages of Glavica and Kandija, which indicates that Muslim-Croat clashes have been resumed. It has also been learned that Muslims have taken control of Bugojno, and that Croatians are leaving the town. [passage omitted]

Croatian Army Helicopters Overfly Muslim Army Positions

LD2205130193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1126 GMT 22 May 93

[Text] Belgrade, 22 May (TANJUG)—Three Croatian Army helicopters, weaving through mountain passes from the Risovac plateau, flew above Muslim Army positions around Jablanica throughout last night, Sarajevo Radio claimed today.

The radio reported that the Croatian Defense council [HVO] forces this morning opened fire at Muslim villages in the Neretvica Valley and on Muslim Army positions around Jablanica with automatic infantry weapons. It was also claimed that Muslim villages are still on fire on the outskirts of the Prozor municipality.

HVO-B-H Cease-Fire Breached in Jablanica, Konjic

LD2305120293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 23 May 93

[Excerpt] A cease-fire agreement reached between the Croatian Defense Council [HVO] and the Bosnia-Herzegovina Army has not been observed on the territory of Jablanica and Konjic.

[Unidentified correspondent] This morning, in Konjic, the sounds of sporadic rifle and sniper fire coming from HVO positions could be heard, while sporadic explosions of mortar shells and recoilless-gun grenades, also fired from HVO positions, were also witnessed.

As regards enemy activities overnight and yesterday, the north Herzegovina operative group of the Bosnia-Herzegovina Army issued a communique saying that the Ustashe-Chetnik military coalition used the period for regrouping, aimed at launching fresh offensive actions following their lack of success in the previous few days. [passage omitted]

HVO Continues Attacking Konjic; Power Lines Down

AU2105144593 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 21 May 93

[Borka Rudic report]

[Text] In the early afternoon on the Konjic battlefield, the defense lines and civilian dwellings are under constant fire from the Croatian Defense Council [HVO]. [Word indistinct] from recoilless guns and antiaircraft machine guns, but all kinds of infantry weapons are also being used. It is definite that on the Konjic battlefield, nothing is going to come out of the signed cease-fire.

In the latest attacks on the city and its civilian dwellings, there has been material damage to houses and [word indistinct] two people have been injured. In the morning, and at the time of this report, HVO snipers are active in Konjic. Moreover, the city still has no electric power. In spite of the efforts of the Konjic electricians and the engineering units of the UN Protection Forces [UNPROFOR], there is still no chance of repairing the long-distance power lines destroyed and damaged by the HVO forces. Moreover, in yesterday's attacks on the city, some of the [words indistinct] have also been damaged, so that it is quite certain that it is going to be very difficult [word indistinct] to supply Konjic and the Sarajevo region with electric power.

'Critical' Situation for Villagers

LD2305213093 Zagreb HTV Television in Serbo-Croatian 2040 GMT 23 May 93

[Excerpts] Let us hear details from the areas where Muslim-Croat clashes have been taking place. [passage omitted]

[Reporter] UN Protection Force troops have arrived in the Croat village of Kostajnica in Konjic municipality; however, they could not reach the village of Vrci because of Muslim attacks. The situation in the villages in this area is critical because the civilian population has already spent 45 days in bunkers and shelters without food and medical supplies.

Central Bosnia is apparently calm even though several Croatian Defense Council [HVO] soldiers are killed every day by perfidious sniper shots. One HVO soldier was killed in this way in Busovaca this morning and sniper shots also wounded a woman and a child in Travnik. Persecution of Croats in Kakanj is continuing and negotiations on exchange of prisoners in Vitez have produced no results; a further meeting has been scheduled for 25 May.

Hundreds Dead

LD2205134593 Belgrade TANJUG in English 1323 GMT 22 May 93

["Pool" item]

[Text] Belgrade, May 22 (TANJUG)—There are several hundred unburied bodies of Croatian civilians and soldiers in the vicinity of Konjic, central Bosnia where Croats and Moslems are fighting fierce battles, commander of the Bosnian Croat units General Milivo Petkovic has said.

General Petkovic, chief of the general staff of the Croatian Defence Council (HVO—Bosnian Croats' armed formations) made this statement after visiting some Croatian villages around Konjic, the Zagreb-based Croatian Radio said on Saturday.

Moslem forces did not allow General Petkovic to enter the village of Vrce and the burned village of Radesine, where over a hundred bodies of Croatian civilians and soldiers had remained unburied for days, the radio said.

In the villages around Konjic, General Petkovic found tormented people without food, who had been defending themselves for weeks against Moslem aggression, the radio said.

The Moslem-controlled Sarajevo Radio said on Saturday that Konjic and environs were the target of heavy artillery fire from HVO positions on the night of May 21-22.

Konjic and its suburbs, including positions of the Moslem forces, were hit by tens of mortars and shells, the Sarajevo Radio said and specified that the attacks had been launched at about 2200 hours (local time) and lasted until after midnight. The radio said the night was one of the most difficult in the town on the Neretva river since the war broke out.

The Moslem-controlled radio on Saturday quoted the command of Moslem forces in northern Herzegovina as saying that the HVO and the Croatian Army attacked Konjic on Friday and during the night, while the highest military officials of the two warring sides were negotiating.

The Croatian Radio reported that it was mainly quiet in Mostar "with sporadic shots from infantry weapons" during the night and on Saturday.

The war between Croats and Moslems in central Bosnia and western Herzegovina (Mostar) has escalated over the past weeks, despite a cease-fire agreement signed by the military commanders of the two sides. Although they signed the Vance-Owen peace plan, the two sides are trying to gain supremacy over the provinces which, according to the plan, are to have a mixed Moslem-Croat population.

Since last year, all of western Herzegovina has practically been ruled by Croats, who had first ethnically cleansed the area of the Serbs. Then they proclaimed the territory a "state within a state" and called it "Herceg-Bosna", with Mostar as its capital.

HVO, Croatian Army Continues Attacks in Konjic Area

LD2105230993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2200 GMT 21 May 93

[Text] Attacks by the Croatian Defense Council and Croatian Army units in the area of Konjic have continued today. According to a statement by the northern Herzegovina operational zone command [of the Bosnia-Herzegovina Army], the Croat units opened infantry, artillery, and sniper fire on Konjic from positions above the town. Reconnaissance units of the Bosnia-Herzegovina Army noticed a fresh regrouping of the HVO and the Croatian Army.

'Sporadic Fire' on Most Fronts, Konjic 'Quiet'

AU2405093493

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 24 May carries in its regular 24-minute newscast several reports on the fighting in the republic.

Reporting from Maglaj, Hajrudin Sermic says that "since 0900 [0700 GMT] this morning, 155-mm howitzer shells have again been destroying the city unselectively. This promises to be one of those hellish days for the Maglaj people."

Hamiz Deronjic reports from Brcko that "the aggressor is intensifying his combat activities and regrouping again. A fierce mortar attack, supported by M-84 machine gun fire, was launched at 1930 last night at the defense positions in Bajici. After several hours of shelling, the enemy started firing at Bajici from the direction of Lukici with grenade launchers [tromblon] and a 20-mm antiaircraft gun, which went on throughout the night. Brod, Brodusa, Stari Rasadnik, the free part of

Suljagica Sokak, Lipovac, Licki Most, Rijeke, Dizdarusa, and Omerbegovaca were also shelled all night. Regrouping of the enemy forces was spotted during the night along the entire front line. A heavy concentration of Chetniks was registered in Grbavica, facing our positions in Lipovac and Licki Most, while reinforcements in men and equipment were also brought in by air."

The Gradacac Information Center reports that "the relative quiet on this front continued into yesterday, but the general impression is that the combat activities are picking up on the entire front. Yesterday evening and last night brought new artillery provocations. At about 1900, mortars from Visovi pounded the defense line in Sibovac, the industrial zone, and (?Ukici), while 82-mm shells from the direction of Avramovina pounded Brdo. We have information that, at 2300 last night, six transport helicopters flew on the Modrica-Brcko route. We can just wonder about this supposed control of the Bosnia-Herzegovina sky as the Chetniks use this means of transportation regularly every night. This morning is marked by minor small arms provocative fire on the eastern part of the front."

The Information Service of the Second Corps Third Operative Group reports from Kladanj that "there is provocative fire with antiaircraft guns and machine guns, and small arms. The Chetniks from (?Adzici) and other strongholds around Trnovo have used a recoilless gun against our defense lines apart from antiaircraft and small arms. Our forces have not responded to any of these provocations, but are ready to do so if the need arises. This morning is relatively quiet."

In his report from Olovo, Velid Djindo says that "there was some sporadic fire overnight. There are occasional explosions along the front lines this morning, but the defenders are not responding as the lines are stable and unchanged."

Reporting from Konjic, Edhem Badzak says that "unlike yesterday, this morning is completely quiet. This quiet, no matter how uncertain, is in accordance with yesterday's agreement at the meeting between the Konjic War Presidency and a part of the Croatian Democratic Community Presidency of Konjic. A statement was issued on this meeting this morning, which says that the meeting was concerned with a review of the military and political situation in Bosnia-Herzegovina, with particular regard to Konjic considering the current clashes between the Bosnia-Herzegovina Army and the Croatian Defense Council in the region."

The studio announcer says that there is increased "enemy" sniper fire in Sarajevo, with some small arms fire in Novi Grad and the outskirts of Stari Grad.

HVO General: 'All Members' of Konjic Command Imprisoned

LD2105225393 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 21 May 93

[Text] General Milivoj Petkovic, commander of the general staff of the Croatian Defense Council [HVO] Armed Forces, has returned to Mostar in a convoy, after a visit to some villages near Konjic that are under attack by the Muslim forces. He found suffering people there, without any food, who have been defending themselves for weeks. Gen. Petkovic was not allowed entry into Vrce or the burnt-down village of Radesine, where there are over 100 unburied bodies of Croat civilians and soldiers. Gen. Petkovic also said that all members of the HVO and the Croatian Democratic Union Konjic command were in prison.

Mladic Protests Muslim Tunnel at Airport

LD2405130193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1105 GMT 24 May 93

[Text] Belgrade, 24 May (TANJUG)—Lieutenant Colonel General Ratko Mladic, chief of the General Staff of the army of the Serb republic [in Bosnia-Herzegovina], sent a letter today to Gen. Lars-Eric Wahlgren, UNPROFOR [UN Protection Force] commander for former Yugoslavia, informing him that the Muslims are digging a tunnel under Sarajevo airport.

The letter, which was also forwarded to TANJUG, stresses that the command of the army of the Serb republic has been seriously concerned about the "abuse of Sarajevo airport by the Muslim side, and partly by UNPROFOR."

Gen. Mladic informed Gen. Wahlgren that "the Muslim side has been digging a 1.20-meter wide, 1.65-meter high, and approximately 620-meter long tunnel linking the suburbs of Dobrinja and Butmir under the airport runway and the entire area of the airport."

"The entrance to the tunnel in the suburb of Dobrinja is in the direction of C-5 quadrant; the tunnel is being simultaneously dug at both ends in the two suburbs, which is witnessed by your forces," Mladic's letter says.

The chief of the General Staff says that it is "predominantly the civilian population from Sarajevo and Hrasnica, including prisoners of war who are exposed to unprecedented torture, who are being forced to dig the tunnel.

"Your forces based in the airport can see for themselves that Serb civilian prisoners of war have been dragging timber from Mt. Igman, which is then used as support beams in the tunnel. Not infrequently, members of the Muslim army have killed the exhausted Serbs who drag the timber and who take the excavated earth out of the tunnel."

Gen. Mladic claims that "the tunnel construction work is supervised by Alija Izetbegovic's son himself, Bakir Izetbegovic."

Simultaneously with digging the tunnel under the airport, Mladic says, "earth bulwarks erected by your forces around the runway and the airport buildings have been expanding daily."

Mladic stresses that "the Muslims have been using the bulwarks as protection when crossing the airport in both directions, particularly at night, when they bring in weapons, ammunition, and other military equipment to the city."

"I hope that your speedy intervention will prevent further abuse of the airport, which we gave up to your forces to use for humanitarian purposes," Gen. Mladic's letter says.

Mladic Protests Continued 'Supersonic Flights'

LD2305161093 Belgrade TANJUG in English 1545 GMT 23 May 93

["Pool" item]

[Text] Belgrade, May 23 (TANJUG)—Lieutenant General Ratko Mladic, the commander of the Bosnian Serb Republic Army, on Sunday sent a letter of protest to the secretary-general of NATO and the commander of NATO's forces in Europe because the aircraft enforcing the no-fly zone over the former Yugoslav Republic of Bosnia-Herzegovina continue to break the sound barrier at low level over populated areas in the Bosnian Serb Republic.

Expressing hope that NATO's command would issue a strict order for the practice to be discontinued, Mladic warned that if the planes continued to break the sound barrier the "Bosnian Serb Republic Army will not bear the responsibility for any consequences."

Mladic said in the protest, a copy of which was sent to TANJUG, that he was approaching NATO officials because protests made thus far to the commander of the U.N. peace-keeping forces for former Yugoslavia, General Lars Eric Wahlgren, and UNPROFOR Commander for Bosnia-Herzegovina General Philippe Morillon had had no results.

"I refuse to believe that it is with your knowledge that the civilian population is being terrorized and that the mental health of many children will deteriorate from the effects of the shock waves caused by the supersonic flights," Mladic said in his letter.

Mladic Protests NATO Interference With Medevac

LD2305170193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1437 GMT 23 May 93

[Excerpt] Belgrade, 23 May (TANJUG)—Lieutenant Colonel General Ratko Mladic, chief of staff of the army of the Serb republic [in Bosnia-Herzegovina], lodged a protest today with General Lars-Eric Wahlgren, the UN Protection Force commander for former Yugoslavia, over an incident in which NATO planes prevented the evacuation of the wounded by helicopters which had clearance from the peace-keeping forces' command.

It is recalled in the protest, which was also forwarded to TANJUG, that in the Prnjavor area two days ago, at 1820, NATO planes were disrupting the evacuation of the wounded by helicopter. The helicopter was forced to land, so aid to the wounded could not be provided in due time, General Mladic stressed. He emphasized that the flight had received clearance. [passage omitted]

New Bosnia Plan Seen as Admission of Powerlessness

AU2405123193 Paris AFP in English 1057 GMT 24 May 93

[Text] Zagreb, May 24 (AFP)—Croatia reacted negatively to a plan to contain fighting in Bosnia-Herzegovina Monday, saying it amounted to an admission by the international community that it was "powerless" in dealing with the conflict.

The Zagreb daily VJESNIK, close to the government, said the plan was an admission by the international community that it was "powerless in trying to confront the violence, crime, genocide and fascism being carried out in Bosnia."

"The French and American administrations couldn't care less about the genocide and crimes being committed in Bosnia," the daily said, adding that threats leveled against the Serbs by politicians during election campaigns in France and the United Statese were nothing but ways to garner some votes.

The United States, Britain, France, Russia and Spain agreed Saturday to establish six safe areas in mostly Moslem pockets of Bosnia-Herzegovina under the protection of the United Nations.

Foreign ministers of the five countries, meeting in Washington, also decided to put monitors on the borders between Serbia and Bosnia to enforce Serbia's embargo on shipping non-humanitarian goods to Bosnian Serbs.

The plan, favorably regarded by the Bosnian Serb leadership, is seen as effectively ceding territory gained by Serbs over the past 13 months of fighting, while confining many Bosnian Moslems in the safe zones.

Bosnian leaders said Monday it would be "impossible" for them to negotiate directly with Bosnian Serb leader Radovan Karadzic as the latter had suggested Sunday.

Karadzic suggested a three-way meeting between Bosnian government, Serb and Croat leaders, saying he would be prepared to accept a Bosnia divided into three states.

Bosnian Information Minister Ivo Knezevic said such a plan amounted to the "total destruction" of the current state of Bosnia.

He said the Bosnian leadership was willing to continue negotiations through the international community so long as these talks were based on the Vance-Owen peace plan.

"We cannot give up on this point," he said.

"We are not narrow-minded or stubborn," Knezevic said. "There is no other viable solution to save our state and our dignity."

The Vance-Owen plan called for the division of Bosnia into 10 semi-autonomous provinces. That plan was approved by Bosnia's Croats and the Moslem-dominated government, but was rejected by the Serbs.

Serb Leader: No Bargaining Over Western Slavonia

LD2305212493 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 23 May 93

[Text] Advocating a joint Serbian state with the Serbs from Bosnia and announcing forthcoming elections, Mile Paspalj, leader of the rebel Serbs in Croatia, said that there can be no bargaining over western Slavonia. However, in their so-called assembly, the leaders of the rebel Serbs in western Slavonia accepted requests for the repair of the railroad track and the road passing through the occupied region and the subsequent re-establishment of traffic. They requested their authorities in Knin to declare themselves on the status of western Slavonia which, as they said, is currently under Serb supervision.

Serbs Support Cease-Fire, Reject Croatian Autonomy

LD2105192693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1634 GMT 21 May 93

[Text] Knin, 21 May (TANJUG)—The government of the republic of Serb Krajina and the General Staff of the Serb Krajina army said in a statement today that they support their delegation's stand on a temporary cease-fire between the warring parties, but that military experts should agree on this, on a completely equal basis, and in a neutral venue.

The statement was issued following public speculations and various interpretations of the recent negotiations in Topusko, it said.

Civilian and military authorities in Knin adhered to their previously defined stand that simultaneously with the negotiations the implementation of Article one of the Security Council resolution on unconditional withdrawal of the Croatian Army and police from the occupied parts of Krajina must begin.

Regarding the demarcation line, it recalls that the line was defined by the Sarajevo Agreement of 3 January 1992, together with the demand that peacekeeping forces be deployed along it.

Today's statement reiterated the stand of the civilian and military authorities that surrendering a single inch of Serb land or having autonomy within Croatia is out of the question.

RSK Claims 300,000 Serbs 'Banished' From Croatia

LD2105175893 Belgrade TANJUG in English 1511 GMT 21 May 93

[Text] Belgrade, May 21 (TANJUG)—Over 300,000 citizens of Serb nationality have been banished from the former Yugoslav Republic of Croatia, foreign minister of the republic of Serb Krajina [RSK] Slobodan Jarcevic said on Friday in a letter to the president of the United Nations (U.N.) Security Council in May, Russian Ambassador Yuliy Vorontsov.

The letter was also sent to President of the U.N. Commission for War Crimes in former Yugoslavia Frits Kalshoven. Jarcevic underscored that all the immovable and movable property that these citizens owned had been seized.

Jarcevic said that 204,413 people banished from Croatia were registered in the territory of the Yugoslav Republic of Serbia according to the republican bureau of statistics.

There are currently around 120,000 refuges from Croatia in the territory of Krajina, while there are still no figures on the number of banished people who found refuge in the Serb Republic, European countries, the United States (U.S.), Canada, Australia, and other countries, Jarcevic said.

Such an exodus of the Serb people presents a striking example of ethnic cleansing and a gross violation of the general declaration on human and civil rights and the international pact on human rights and civil freedoms, said the letter.

Such a destiny of the Serb people, Jarcevic said, can only be compared with the fate of Jews during World War Two.

Jarcevic recalled that the figures on the plight of Serbs in former Croatia did not appear in news media and were ignored by influential political factors in the world.

The Serbs proclaimed Krajina in 1991 in areas inside the administrative borders of Croatia where they are the majority population in protest over Croatia's secession from Yugoslavia and the degradation of their status in its new Constitution from a nation to a national minority. Krajina has been a U.N.-protected area since spring last year.

RSK Reportedly Wants Lasting Peace With Croatia

LD2305164793 Belgrade TANJUG in English 1613 GMT 23 May 93

[Text] Belgrade, May 23 (TANJUG)—The Republic of Serb Krajina (RSK) is not only willing to sign a cease-fire with Croatia, but lasting peace too if the Croatian side is willing, the Belgrade daily VECERNJE NOVOSTI on Sunday quotes RSK Foreign Minister Slobodan Jarcevic as saying.

Announcing that the RSK and Croatian officials are to meet in Zagreb on Wednesday, Jarcevic said that the RSK Government was also willing to establish trade and other economic ties with Croatia and to allow a free movement of goods and people through the RSK.

The RSK was proclaimed in 1991 in the predominantly Serb- populated territories in the former Yugoslav Republic of Croatia in response to Croatia's violent secession from Yugoslavia and downgrading of the Serbs to a national minority. In 1992, the RSK was placed under U.N. protection.

At Zagreb, the RSK delegation will certainly not abandon the minimum requests formulated as the RSK platform for the talks—the withdrawal of the Croatian Army and police to the U.N.-drawn demarcation line of January 2 last year, said Jarcevic.

Since that date, Croatia has launched three attacks on RSK territory, he explained.

The latest assault started on January 22 and continues despite the U.N. Security Council's order to Croatia to withdraw to behind the U.N.-brokered truce line.

Jarcevic noted that the RSK authorities on 19 December 1992 agreed with Director of Civil Affairs of the U.N. Protection Force Cedric Thornberry to repair the Maslenica Bridge, reopen the railway and road links through the Slavonia region and restore power lines, but that further talks on these issues have been suspended because of the latest Croatian aggression.

One of the pretexts Croatia gave for the January 22 aggression was that the RSK would not allow the reconstruction of the Maslenica bridge linking the southern Croatian Adriatic coast with continental Croatia.

Gasoline Prices Raised by 120 Percent

LD2405111193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1035 GMT 24 May 93

[Text] Knin, 24 May (TANJUG)—Based on a decision of the Executive Committee of the Krajina petrol industry, new 120-percent-higher prices for petrol and oil derivatives came into effect this morning.

A liter of four-star petrol now costs 170,000 dinars, a liter of regular petrol costs 160,000, and a liter of diesel costs 150,000 dinars.

Farmers will continue to buy fuel at subsidized prices.

Official Discusses Relations With Serbs

AU2405083193 Zagreb DANAS in Serbo-Croatian 14 May 93 pp 18-19

[Interview with Josip Manolic, president of the Chamber of Counties of the Croatian Assembly, by Zeljko Luburovic in Zagreb; date not given: "Pribicevic Has To Be Invented"]

[Text] As soon as Josip Manolic, president of the Chamber of Counties of the Croatian Assembly, took office, he was assigned the not very easy task of organizing the Committee for the Normalization of Croatian-Serbian Relations. The founding of the committee provoked different reactions in Croatia, so some members of the public became immediately skeptical toward the project, especially because all previous attempts of the Croatian state policy to settle the Croatian-Serbian relations outside the UNPA [United Nations Protected Area] zones, in the so called krajinas, were met with contempt and rejection. That very skepticism about this project, as well as other inherited ones, burdened Manolic's committee from the very beginning. What does Josip Manolic think about?

[Manolic] I would not completely agree, because I think that the conditions under which the talks began have changed. Based on the experience we have gathered up till now, we can build the path to normalization. I think it would be wrong to accept that this attempt by the Croatian leaders is doomed to failure. That kind of reasoning is very static and does not take into consideration all that has been happening in the meantime.

[Luburovic] What has happened so important as to initiate the founding of a group that would finally be successful?

[Manolic] First and foremost, the war between Serbs and Croats, or rather between Serbia and Croatia, lies behind us. Each of the participants will make his own conclusions about this.

[Luburovic] Are the events in the hinterland of Zadar, Biograd, and Sibenik also part of that war that is now over?

[Manolic] That is, as they call it, sporadic fire. These are the remnants of the war, but, regardless of the fact that people are getting killed, we cannot call it a war. People get killed in peacetime, too, also because they do not handle their weapons properly. If we examine the numbers of people killed in this war, we see that the majority of them died in the non-war zones, at the rear, and in cafes, and not exactly on the front lines.

[Luburovic] Does the Committee for Normalization believe that conditions for the talks have been created on the other side as well, or is this just a sign of our good will?

[Manolic] I was going to talk about that, but you interrupted me with your *bombardment*. I think that both sides have drawn certain conclusions from this war. Serbia has realized that its idea of all Serbs living in one state has come to nothing. That thesis was abandoned because it was defeated in the war. Secondly, we decided, exactly at the time when this thesis and that policy were completely defeated, that it was time for us to activate the peaceful option with a wide spectrum of human potential, not only in Croatia, but elsewhere. In politics, it is always very important to choose the right time for making a particular move. I think that both the international conditions and the situation here are just right for the Croatian leadership to make a push for the normalization of relations between Serbs and Croats.

[Lubojevic] What is the situation on the other side?

[Manolic] Similar viewpoints exist on the other side, but, frankly, from different perspectives. That is also becoming obvious because they are reconciled to the fact that the goals of Serbia and Montenegro cannot be imposed by war on any of the former Yugoslavia peoples.

[Lubojevic] When you start negotiating with someone, it is necessary to estimate the extent of their legitimacy to negotiate. Has your committee recognized who has this legitimacy? Dzakula, Milan Babic, Goran Hadzic, Milan Djukic, Slobodan Milosevic...?

[Manolic] As long as one searches for the person to talk to on the other side, one is astray. We know who it should be. We accept everyone who now wants the normalization of relations between Serbs and Croats, i.e. between Serbia and Croatia.

[Lubojevic] Nevertheless, the Israeli example shows that until the Israeli is agreed to talk to Yasir 'Arafat, who was given legitimacy to represent the Palestinians, there could not be any coherent negotiations.

[Manolic] We, too, are offering that. To everyone who wants to contribute to the normalization of relations between Serbs and Croats and help Croatia to start functioning in the UNPA zones. We are looking for such people on the entire area. We do not reject anyone in advance.

[Luburovic] Anyone?

[Manolic] Anyone. Whoever wants to join us can do so with good intentions. We will be much more successfully in discussing the consequences of war and crimes in peace, than now, when each side still has heavy artillery, tanks, and other weapons.

[Luburovic] Is this the way to forgive and forget, or ...

[Manolic] It is not a way to forgive or forget, but part of a realistic attitude toward the present situation. Some people think that the conflict with the Serbs should be ended by war. This is one possible way, but then we have to know in advance how many new graves this will result in and how much destruction of material goods and culture.

[Luburovic] But those who advocate that option will say that, since you cannot achieve it by war, it can only be achieved by negotiating with Belgrade, because the strings of the Serbian rebellion are being pulled there. Is that correct?

[Manolic] It is completely correct and is similar to what we began eight months ago, when we founded interstate commissions of Croatia and Serbia to normalize those relations. I think that these talks were on the right track. However, we were set back by the instabilities in the internal relations in Serbia and Montenegro. The powers and options of these talks have changed, so that the war option, for one moment, prevailed again on the other side. So, those who advocated the peaceful solution had to leave the political scene.

[Luburovic] If the success of the talks still depends on the balance of powers in Serbia, should you not require international mediation and, in that case, is a kind of the Balkan *Camp David* something that cannot be avoided?

[Manolic] What to call the summit is another problem, but I think that, without these kinds of talks and negotiations, it is impossible to have peace in these areas. I think that everyone from former Yugoslavia has realized that there are no military solutions. We should look for the solution on the political level of living together or developing certain ways of life among the independent countries that were created on the area of the former Yugoslavia.

[Luburovic] The media have lately been exploiting the fear of some kind of third Yugoslavia. Is there a real basis for that concern?

[Manolic] No. Because independent states were created on the national basis and they achieved that after much bloodshed and many deaths. This prevents any such ideas, whether well intentioned or not. However, there will clearly have to be some economic, political, and other communication, even some kind of institutionalizing of certain problems, if you will.

[Luburovic] What kind of institutionalizing?

[Manolic] There are no reasons to stop us institutionalizing relations with Montenegro at an economic level, if there is a need for that. Similarly, with Bosnia-Herzegovina, Macedonia, and the others. Whether on the level of commissions, various committees, mixed companies, financial agreements, etc. But the position is always clear—two independent subjects.

[Luburovic] Let us return to the Committee for the Normalization of the Relations with the Serbs. Is the fact that, at the same time, there are various Serbian organizations trying to represent the Serbian nation an advantage or a disadvantage for Croatia? We have, for example, the Community of the Serbs, the Serbian Democratic Forum, the Serbian National Party, we also had the Serbian Democratic Party with which we were initially negotiating, and they all claim to be the legitimate representatives of the Serbs in Croatia.

[Manolic] There is a common denominator for the entire spectrum of communities, forums, parties, and would-be parties: They represent the Serbs. Whether they have the same goals is not important for us at this moment. It is important that we want to establish intensive communication with all Serbian representatives or, better still, with all those who can contribute to the normalization of relations.

[Luburovic] A propos that, will an invitation for the meetings of the committee that you head be extended to Milorad Pupovac, head of the Serbian National Forum?

[Manolic] Why not? He was present at the first meeting of the Committee as well.

[Luburovic] Is he willing to cooperate?

[Manolic] I think he is, but only in terms of his perception of the present Croatian-Serbian problems. None of these people is "set in concrete" in the sense that to solve the problems at this moment, they must start from the positions they held at the end of 1989 and 1990. They have all evolved, and, in some way, learned from the experience of the past three years.

[Luburovic] Among them, although barely noticeable, there is this idea about the constitutent nature of the Serbian people in Croatia.

[Manolic] Those rights have been granted by the Constitution both formally and legally. To the extent and the quality that was accepted and recognized by Europe. We cannot go any further than that. I think that this is satisfactory both to Serbian politics and to the Serbs in these areas. Now the implementation of these rights is a problem for us. The Serbs fear both today and tomorrow. Regardless of whether or not this fear is real or irrational, the consequences are the same. The Serbs in the UNPA zones must realize that each shell fired on Croatian villages and towns impedes the possibility of life together, just like every act of violence against the Serbs and their property by the self-styled bearers of justice. Some 30,000 Croats resettled from Vojvodina and Serbia, as well as some 10,000 Serbs who left their homes with just plastic bags and in their underwear, this does not resemble the end of the 20th century. Even if we realize that life together is impossible in some areas, the problem may be solved by moving, so that the human dignity and property of each individual are respected. Creating the right climate for that kind of method of dealing with Croatian-Serbian relations is a very difficult task for this committee. The only possible way to solve the problem is that the other side, too, realizes that the desired goals cannot be achieved by war.

[Luburovic] Considering that, ever since the first elections, the Croatian Democratic Community has been attempting to find a new Pribicevic, we would like to know whether the party is still undivided on that matter, and whether the search for a new Pribicevic is the most productive aspect of Croatian policy toward the Serbs in Croatia today?

[Manolic] If there were not a Pribicevic in Croatian-Serbian relations, we would have to invent him, because that would mean looking for a life together and for the ways of normal communication between Serbs and Croats in these areas. I do not see anything negative in that Pribicevic thing, which is so much emphasized today. Such a policy is more instructive for the Serbs of Preca than for others. The Croatian Democratic Community is unanimous on that, and that unity should not be judged according to somebody's different views. The political forces which create the Croatian state policy are unanimous in that. I think that the opposition does not have significantly different programs, except for those extreme options that advocate war and total victory.

SNS President: Policy Toward Serbs 'False'

AU2105130593 Zagreb DANAS in Serbo-Croatian 14 May 93 pp 15, 16

[Commentary by Marko Barisic: "Djukic and the Croatian Concessions"]

[Text] The Croatian authorities are pursuing an entirely false policy toward the Serbs. They do not provide their civil and national rights and, thereby, not only aggravate the lives of the Serbs living in the areas controlled by the Croatian state, but also undermine the foundation of the state and fail to contribute to the incorporation of the "krajinas" and the final resolution of Serbo-Croatian relations in Croatia. That is the general conclusion that offers itself after the lengthy conversation with Milan Djukic, president of the Serbian National Party [SNS], which we held at the party's headquarters in the center of Zagreb. It is very lively in the offices of the SNS. Djukic's office is the meeting place of people who are seeking help, favors, or a political explanation to the questions that preoccupy them. The party logo on the oak doors of that Austro-Hungarian building is broken, a Croatian and a Serbian flag are tied together and hang on the wall behind Djukic's desk, a symbol of the activity of the only Serbian political party in Croatia at present (the Serbian Democratic Party was declared terrorist and outlawed).

It is difficult to conduct an interview with Milan Djukic because, after only the first question, he begins his soliloquy in which he presents his political concept and also numerous examples of the abuse of Serbs by the authorities. From the very beginning he tries to convince (dissuade) his interviewer, talking like a real political leader, and the weight of his words is emphasized by unique clothing: light Italian suits, silk shirts, always new ties, always strong colors, adorned with a heavy gold bracelet and a signet-ring.

"There are two prerequisites for the solution of the question of the Serbs in Croatia: the international community must take a stand toward Bosnia-Herzegovina, and Serbia must take a stand toward Bosnia-Herzegovina. That means that the problem of Bosnia-Herzegovina is being solved by the Vance-Owen plan and that it remains the country within the boundaries of the AVNOJ [Anti- Fascist Council of National Liberation of Yugoslavia]," said Djukic and continued: "The international community has still to drive Milosevic out into the open, as they did in Athens, and take a clear stand toward Croatia, the Serbs in Croatia and the 'krajinas,' which would lead to heavy weapons, and those people who are not citizens of Croatia, leaving Croatia." Djukic thinks that by meeting these prerequisites, it would be easier to arrange the talks on solving the question of Serbs in Croatia, which is very complex. The leader of the SNS considers that a difference between the crisis in Bosnia-Herzegovina and that in Croatia lies in the fact that in Bosnia Herzegovina, the international community acts as a judge, while in Croatia it is a mediator, and the solution can only be found in agreement between the Croats and the Serbs.

"The Return of the Trust"

In order to reach agreement, it is necessary to fulfill a couple of prerequisites. First of all, "create the conditions which will make normal reasoning possible, repress hatred to the utmost, regardless of the fact that some things will never be forgotten, and the Croatian media should change their attitude toward the Serbs." All these factors should lead to the gradual return of trust. Trust was completely lost: primarily because of the mistakes of the Croatian Government, which, in 1990, would not hear of cultural autonomy, and, then, because of the implementation of Milosevic's politics which put Serbs at risk. The Serbs in the "krajinas," both Bosnian and Croatian, realize now that they have been abandoned and mislead, and that their assemblies are voting to the contrary is proving that the assemblies are political instruments rather than a reflection of the people's opinions. And now—when the Constitutional Law on the Rights and the Protection of Minorities has given the Serbs their cultural autonomy and local authority with special status for the districts of Knin and Glina—Djukic claims that Croatian authorities do not understand that the greatest misfortune lies in not implementing the Constitutional law. It is not being implemented because of the "wrong opinion of the Croatian authorities, which conditioned the implementation of the Constitutional Law by solving the crisis in Croatia, i.e. by civil and national rights." According to Djukic, it is necessary to turn things around: precisely by implementing the Constitutional Law, i.e. by granting the Serbs and other minorities their civil and national rights, we have the biggest democratic instrument for solving the crisis in Croatia. For how can the "krajina" Serbs trust the Croatian state if the Serbs outside the "krajinas" are denied their basic rights?

They are denied their rights, Milan Djukic categorically stated and started giving examples of the ways in which this is still happening to the Serbs. "Certificates of citizenship are still a problem, people (military pensioners) are losing their apartments illegally and by force, former JNA [Yugoslav People's Army] officers have also been targeted, although the agreement signed between the Croatian government, the JNA and the EC should be carried out. Their wishes, to live and stay in Croatia, should also be respected." Here, Djukic continued in a raised tone of voice: "Why do the Serbs constitute the majority of redundancies? In the Croatian Railways, in Donji Miholjac and in the lottery. The same happens in education, too. They get fired, but the jobs are not being closed, and other people come to work there." The president of the SNS drew attention to two new categories for obtaining citizenship: exile, meaning that you are not needed and that you have to leave Croatia within a certain period of time, regardless of your assets or desire to continue living where you have lived for years, and the guarantee, which is a transitional category between exile status (foreigner) and citizenship status. "You get a peace of paper valid for two years, but you cannot do anything with it, you cannot even get a passport," said Djukic angrily. "While the guarantee is valid, you have to obtain a certificate from your native country (i.e. from Bosnia-Herzegovina, Serbia, Montenegro) by which you denounce their citizenship. However, according to Article 8, this is not necessary because as soon as you get Croatian citizenship, you loose the other."

"The District of Knin"

Now about the return of displaced persons and refugees. "The conviction that only the Croats should return was created in Croatia. Everybody should come back," said Djukic and added: "Before the displaced persons, we need a legal system, before the legal system—a Croatian one, of course—we need trust based on the rule of law and the protection of civil and national rights. How can the Serbs return to Podravska Slatina when the Croats from Kosovo have settled there? How can the Croats return to Baranja when the majority of the Serbs from Croatia live there, especially those from western Slavonia? Therefore, everybody should return to their homes, regardless of their nationality, under the same conditions and with equal aid from the state."

Milan Djukic continued his monologue, saying that one of the many mistakes the Croatian authorities have made was the Maslenica action, also supported by the second largest opposition party which, later, tried to back out. The most recent mistake was tampering with the Constitutional Law and the special status of districts that have already established local authorities. Since the new, county territorial structure was decided on, there should have been 23 instead of 21 counties. Knin and Glina, or at least Knin, should have been the centers of counties. This way, the districts are subordinate to two counties and the level of local authority of the districts is thereby infringed. This derogates the Constitutional Law as well. Even the most recent elections did not enable the Serbs to participate in the local authorities where the Croatian legal system is at work. There was no will to do so, and all this leads to the Serbs from the so called krajinas losing their trust in the Croatian state.

"Serbs Into the Constitution"

I always repeat, said Djukic, that all these irregularities and violations of the law are not the official policy of Croatia. It is being done by clerks. However, I have the impression that the Government, Assembly, and even the president take no responsibility. It is evident in the county structure, too. If they cannot be counties, let them be districts, but autonomous districts outside the jurisdiction of counties. The people there could then directly choose their representatives, who would communicate with the central government in Zagreb. Djukic thinks that, because of this, it is necessary to implement the Constitutional Law and grant civil and national rights. The building of trust and Milosevic's defining of his position on the internationally recognized Croatian borders will create the conditions for the talks.

However, Croatia must also be ready to make some concessions, which will not endanger the integrity of Croatia, said Djukic. There is no doubt about it. But there is an alternative, regarding the structure. Regarding to the present level of implementation of the Constitutional Law and the return of the displaced persons, the Serbs from the "krajinas" can raise the question of whether they are a constitutive element or not, therefore putting the question about the possible return of the Serbs into the Croatian Constitution. Furthermore, can the "krajinas" get political, not only cultural, autonomy. The third possibility is the present situation, but it is not being used: Constitutional Law with the special status of districts, but outside the jurisdiction of counties. "That is why it is fatal and tragic for Croatia," claims Djukic, "not to implement the Constitutional Law. But its implementation is rather conditioned by the solving of the crisis, instead of making it the instrument of democracy. The Law on Abolition was also misinterpreted: it was implemented for 15 days—and then nothing."

"I am not a new Pribicevic" [Svetozar Pribicevic, pre-World War II centralist politician] said Milan Djukic in conclusion. "He was a man with the greatest qualities who was right for the needs of his time. However, that kind of Pribicevic cannot nowadays be found in any Serb. And I think that Croatia was not really looking for one either."

German Ambassador Threatens Sanctions

*LD2305183493 Belgrade TANJUG in English
1730 GMT 23 May 93*

[Text] Belgrade, May 23 (TANJUG)—German Ambassador in Zagreb Horst Weisel says sanctions will be introduced against Croatia if reports about a Croat massacre of 800 Moslems in central Bosnia prove to be true.

Speaking for the Split daily SLOBODNA DALMACIJA, Ambassador Weisel said the latest report by U.N. special human rights rapporteur Tadeusz Mazowiecki offered evidence that Croat soldiers had murdered in an extremely brutal way more than 800 Moslems in Vitez and the Lasva river valley and raped "countless Moslem women."

The Moslem-controlled Sarajevo Radio reported about the interview from Zagreb on Sunday and quoted Ambassador Weisel as saying that German Foreign Minister Klaus Kinkel had recently also mentioned the possibility of imposing sanctions on Croatia if the situation in Mostar was not brought to order.

The U.N. Security Council some ten days ago issued a presidential statement demanding from Bosnian Croats to suspend all military actions, and from Croatia to influence them to stop attacking Mostar and other towns in the Neretva river valley in Herzegovina.

The Moslem radio also noted that the report about the United States, Great Britain, France, Spain and Russia agreeing on a common strategy for ending the war in former Bosnia-Herzegovina had not received much prominence in the Croatian media.

The five countries said Croatia was facing strict sanctions if it continued to support Bosnian Croats.

New Prime Minister Views Government Tasks

AU2405101993 Rijeka NOVI LIST (TJEDNI NOVI LIST supplement) in Serbo-Croatian 15 May 93 pp 4-5

[Interview with Prime Minister Nikica Valentic by Vesna Camdzic; place and date not given: "The Capital Does Not Fall for Sentimentality"]

[Text] It has been one month since the new Croatian Government was inaugurated. Its first man, "fifth" in a row in the last couple of years, Nikica Valentic, trying to save the wounded Croatian economy from collapse according to instructions by economic and management experts, is the first man to insist on the responsible, efficient, and more practical functioning of the executive authorities of the Croatian state. He is not the first prime minister to characterize himself and his government as—managerial. He is also not the first to set the following goals: prosperity, a better life, comprehensive flourishing, and revitalization of the Croatian economy, and European standard of living for the people of Croatia. He is the first, however, not to leave that promise for tomorrow. He is the first openly to state the diagnosis of the dying patient, and to announce that the recovery will be a difficult, long process in which there will be "sacrifice, tears, and sweat." He set in motion the wheel of drastic and draconian economic measures, restrictions, and radical cuts. He began his term with a stressful rise of prices, the first in the sequence of new increases, to approach the real foundation for cutting inflation. He is the first of the prime ministers clearly to state that one cannot make social policy with unrealistic prices and thereby (many said, bravely) separated incompatible welfare considerations from the market organization of the Croatian economy. A month since the formation of the new (old) government and the work of the new prime minister is not enough time to estimate which way it is going and how this program will end, but it is enough to see which way the program is headed. The conversation we had with the Prime Minister Valentic during a "stolen" half hour between the prime minister's crowded engagements, is a briefing about current and important questions, for, Nikica Valentic, as he says himself, prefers to make the decisions and announcements that are more delicate and more sensational for the press himself.

"With New Growth to Real Prices"

[Camdzic] First about the anti-inflation measures and the next job in the area of economic policy.

[Valentic] We have announced our measures and they are clearly set. On the one hand, the accelerated creation of development strategy, i.e. what has not been done until now for plausible reasons, because the war is not the best of circumstances for this job. We have already entrusted a group of our best experts with that, and they are divided into thematic groups for the development of the Croatian economic revival program, i.e. a strategy for the development of Croatia. That is the first and a very big job for the new government. The second is the construction of instruments for the implementation of the program, in other words, the instruments for putting the economic program into operation, and we are already using some of those instruments. The third are the economic policy measures for the rehabilitation of present condition.

[Camdzic] Will there be another shocking increase of prices?

[Valentic] Unfortunately, even after the increase and without further inflation devaluation, prices are still not high enough to cover expenses. We have to establish a balance and real price.

[Camdzic] The average price increase of 60 percent established ten days ago is just the first of many?

[Valentic] The disparity in prices must be eliminated. We will try to do that gradually by fall and we have announced that we will—from fall onwards, if we manage to eliminate the disparity in prices and curb inflation, meaning that it will stay at the present level—create the foundation for us to grapple with the problems more forcefully. The problem of cutting inflation is not a theoretical one; it is far-reaching and it causes social upheaval. Despite the difficult circumstances in which this government is functioning, however, I expect this high inflation to be conquered by the end of the year.

[Camdzic] There will be an even blacker situation after radical redundancies in the nonprofitable giants like, for example, the shipyards.

[Valentic] First, we have to settle things in the public sector, that is to say, in companies that are strategically important for the functioning of the country. With the pricing policy we want to create conditions for normal business and not create further debts in the public sector. Nevertheless, concerning other companies that are not of crucial interest to the country, we will apply only market conditions, which may result in personnel cut.

[Camdzic] When will the government decide on cutting taxes on gross income to the tolerable 90 percent, instead of the present 120 percent and then, in the next phase, down to the motivating 50 percent, which would facilitate business operations and create conditions for hiring more people.

[Valentic] The tax reform is under way and it will be voted on in Parliament at the end of September. We plan to cut taxes by summer, as announced, and broaden the tax base.

[Camdzic] We are getting contradictory news on the credit by the world associations to Croatia.

[Valentic] It was first announced that the aid from the World Bank would be granted by September, and then there was even talk of delay and stopping the aid to Croatia altogether.

[Valentic] The fact is that capital does not go where there is war. Capital is not sentimental and does not know of solidarity. One of the minor reasons could perhaps be the potential political and military tension in Croatia and Bosnia-Herzegovina that influenced the decision in the World Bank's most important credit lines concerning the credit of about $125 million. However, it has been announced that this will be decided on 28 May and I believe the decision will be a positive one. This is very important, not just because of money, but because such a decision will give a "green light" for aid to Croatia. The main reason, therefore, is that capital is not directed where there is war, regardless of the fact that, in that sense, the violence in Bosnia-Herzegovina, whether initiated by the Muslims or by the Croats, is not beneficial to us.

[Camdzic] International dealings are, nevertheless, making some progress.

[Valentic] We are people of action. We have done much in this regard in the past 30 days. Apart from the economic cooperation and business deals with Turkey, we have very open business arrangements with China and some other countries. We are also negotiating with the IMF and I hope for an agreement with the World Bank soon.

"Whoever Cannot Make It Will Drop Out"

[Camdzic] The opposition wants this prime minister but not this government. At least it seemed so at the last Parliament session.

[Valentic] I think that, in the end, the opposition did partially give their confidence to the government, because only a small number of them voted against. The fact is that they practically all gave their confidence to me as the new prime minister, which is the result of my business rating and my behavior in the past but also partly of my outgoing nature, regardless of my being uncompromising when it comes to making decisions.

[Camdzic] Does the government really govern the country? If the answer were positive, the opposition claims that the last vote of confidence in the new government time would not raise dust.

[Valentic] This was one of the issues raised in Parliament but the discussion was primarily about the constitutional position of the government. The government has absolute control over its constitutional authority, which is not small. Secondly, I am not a man who can be manipulated, even with maximum respect, both formal and real, for the president of the country. As prime minister, I have much more freedom then people think, but one has to be responsible for every decision one makes. Moreover, I do not have the right to "hide" behind the president and I take full responsibility for my decisions and actions.

[Camdzic] What about the ministers?

[Valentic] I want them to work. The rate of work is incredibly difficult and one has to endure 10 to 12 hours a day. Not just formally but also meaningfully. Whoever from the government cannot keep that pace will have to drop out.

"The Change in Administrative Philosophy"

[Camdzic] Did you ask Ivan Herak to join the government? First as minister of tourism, then as deputy prime minister. Is that a personal offer or an offer to the IDS [Istrian Democratic Congress] as a partner in party power?

[Valentic] We have had talks and we are sincerely interested in his joining the government. That was not supposed to solve any political problem, though the negative decision is the concern of the IDS. We care that the people of Istria are a part of the government for the sake of the development of tourism and trade. That was not an offer to a party but rather an offer to Ivan Herak, who is a member of the IDS.

[Camdzic] Have their been similar offers to other parties or people? Rumor has it that several individuals from other political parties received similar offers "behind the stage."

[Valentic] No, they did not. We only talked to the HSS [the Croatian Peasants Party], a member of which the minister of construction is and to Mr. Herak of the IDS.

[Camdzic] How long will the government consist of these members?

[Valentic] Until further notice, until someone drops out. If I did not have faith in each member of the government, I could not have been forced to keep them.

[Camdzic] How does the government work?

[Valentic] First of all, we have to do team work. I am not a formalist but a practical person. I insist on changing administrative philosophy and inertia. When you have to solve the problem of, for example, the reconstruction of tourist traffic routes in Istria, and we know that the money must be raised from the budget and through loans, then there is no reason not to start right away, and solve the question of finances in the course of that, knowing the importance and urgency of completing work for the season, knowing that there is money and where it can be obtained. I think my main advantage as a politician is that I am a man of action.

"Decomposed Privatization of Tourism"

[Camdzic] Istria is basically prepared for the tourist season. The transfer of displaced persons is almost over, the improvement of roads and border crossings is under way, the dinar liquidity of banks for exchange offices is ensured, the promotion of Croatian tourism abroad is drawing to a close....

[Valentic] We did as much as we could in that short period of time. We have even created the minimal, in some segments even optimal conditions for the beginning of the season. We will do even more, and in that regard, as I have announced, ministers are already on 24-hour duty to react promptly to the current problems of tourism. We have to do all this and, above all, change the attitude and reasoning about tourism, so that already in the coming years Croatia can become a tourism superpower, which is its strategic advantage and our strategic duty.

[Camdzic] The transformation in tourism is going very slowly. We cannot even dream about privatization, primarily because no one believes that under these circumstances foreign capital will show interest in expensive firms and make investments at the appropriate time without state guarantees and profitability.

[Valentic] It would be best for us to have a foreigner come to us with 200 million dollars and buy a tourist company. That is not realistic. The model of decomposed privatization, i.e. selling, is not excluded but we will have to be careful not to destroy the substance. Developmentally speaking, it is certain that Croatian tourism has prospects with small boarding houses with about 20 suites. We have not decided on the most profitable models and this is still being worked on.

[Box, p 5]

Extreme Importance of the Airport in Pula

[Camdzic] What is the government's opinion about the development of Brijuni?

[Valentic] Nothing is decided yet because, due to the war, the interest in Brijuni has decreased. We know that we will protect Brijuni according to the strictest world criteria. Brijuni will only be used for first-class tourism.

[Camdzic] The airport in Istria, privatization, and the season?

[Valentic] As far as I know, the problem there lies in the fact that most things are owned by the army, i.e. the state. I think there is no cause for dramatizing, even less for the politicization of the problem of the privatization of the airport. For this year, we will supply the airport with the minimum of necessary equipment. That part of job is already under way and its value is about 250,000 German marks, but for a more serious investment, we will have to wait until next year. The airport in Pula will have enormous significance for Croatian tourism. So, things are being solved in that segment. It is just that there is a question of priorities in these difficult financial circumstances, and this is a priority.

Commentary Views Inflation, Salaries, Prices

AU2405092893 Split SLOBODNA DALMACIJA in Serbo-Croatian 18 May 93 p 8

[Commentary by Zivko Gruden: "Unstoppable Inflation?"]

[Text] Quietly, as if being smuggled past the public, the information that salaries increased by 40 percent in March recently came by. Many will notice, and with good reason, that living with inflation has taught us not to get upset by any statistics, and we know very well how big our salaries are even without statisticians. Nevertheless, the information about salaries in March is not entirely harmless. It was the first month in which salaries, according to the agreement between Sarinic's government as it was, trade union headquarters, and the Croatian Chamber of Commerce, were formed relatively freely, without administrative limitations, in all firms that were doing business with positive results (which comprised, according to the estimate, about 750,000 employees). The increase in salaries was, in the past months, limited to levels lower than the rate of inflation in all except private firms, so that the real value of salaries was, on average, going down. In March, since the government loosened the reins on salaries, there was a turn of events: Salaries have, in comparison to February, increased by 40.8 percent (even by 43.4 percent in industry), and retail prices, i.e. inflation, by "only" 28.1 percent. Therefore, even the real value of salaries has increased, thereby making up for some of the lost value of the previous months.

Making an agreement on salaries with trade unions, the government has "programmed" inflation in March at 25 percent, in April at 18, in May 15, and at 13 percent in June. Advances of regulated salaries are being calculated according to the programmed inflation, and they can, if real inflation is greater than the programmed inflation, be corrected later on. The differences between the actual and the programmed inflation in March and April were not too big—inflation in March was 28.1 percent and for April "only" 22.9 percent. Will that trend of reducing inflation continue? We do not think so. At the end of last year there were also hopes that inflation was starting to lose momentum, when the rate of inflation of more than 30 percent in November decreased to 22.4 percent in December. However, in the first quarter of this year, inflation was, again, close to the rate of 30 percent per month, and nothing came out of Sarinic's expectations for the gradual lowering of inflation. Anyway, the new prime minister, according to some of his statements, expects inflation to be on the level of the past months until September when, as it was announced, he intends to make some more radical moves in order to cut it.

"Manacles for Salaries"

That inflation will again take a steep upward course is probable for at least two reasons: First, significant price rises from the end of April and other major price rises that occurred soon after that, will be incorporated in the May inflation, and, secondly, the increase of salaries in

March, which by some 10 percentage points exceeds the increase of retail prices, will also stimulate inflation.

Is the situation alarming and will the government be forced to take additional measures to curb the possible further increase of salaries? Many things will become much clearer when we get information about inflation in May. However, we can already say that salaries, without some new, additional measures, could not keep running in front of prices for long. If nothing else, we have a progressive tax on net salaries whose scale was moderate at the time—the beginning of last month—seriously affecting only very big salaries (those over 1 million dinars), but which, if the plummeting of salaries continues, could soon become a serious obstacle even for average salaries. Naturally, there will be demands to correct the scale—some were already heard at the recent first meeting of Prime Minister Valentic with trade union leaders—and it is up to the government to determine the extent to which progressive taxation will influence regulating the salaries and what the role of other instruments will be. Salaries could increase with the help of demands to raise the so-called poll tax, the social minimum, which are supported by the fact that the demand for social welfare cards seems to be smaller than expected, although from the information that some 40,000 cards have been issued until now—and the program was devised according to calculations with some 200,000 families—we should not yet make any extensive conclusions. Because, if it turns out that there is a considerably smaller number of candidates for various forms of aid from the government's social program than was expected, it would definitely not be a sign that we have much less poverty than we thought, but that the poll tax was made somewhere in the middle and not on the limits of poverty, that is, a large number of people who are not included into the social program also live in extreme poverty.

"Nothing Until Autumn"

Prime Minister Valentic has warned the trade union leaders that he will not, under any circumstances, yield to unrealistic demands, however, we can expect to have some fairly realistic trade union demands that he will not be able to meet either, especially if salaries and prices continue to race with unabated intensity. Opposition parties, particularly the Croatian Social Liberal Party, have already directed serious complaints to the prime minister because of what they estimate as an unnecessary and harmful delay in applying radical anti-inflation measures. Deputy Goran Fizulic, for example, thinks that, at the end of April, it was necessary to simultaneously make other interventions from the arsenal of radical anti-inflation therapy, when the prices of energy products were significantly increased, because in this way, by only raising their price, no effects were achieved, except for the fact that inflation gained more momentum. If Prime Minister Valentic really decided to begin the direct struggle with inflation only come autumn, in September, that "delay" would probably be explained with the fact that he estimated that, by then, with the money realized from the tourist season, the foreign exchange reserves desperately needed to make a successful anti-inflation operation will be large enough, and that, perhaps, the circumstances will be closer to the establishment of lasting peace than they are today, so that conditions will become more favorable. Such arguments are convincing, although those who say that the cost of curbing inflation rises with the delay in its payment, do not speak without logic.

Police Arrest Yugoslav Fishermen in UN Waters

LD2105152593 Belgrade TANJUG in English 1436 GMT 21 May 93

[Text] Herzeg Novi, May 21 (TANJUG)—The police of the former Yugoslav Republic of Croatia on Wednesday arrested two Yugoslav fishermen in the "Blue Zone," the U.N.-protected waters on the border between Yugoslavia and Croatia.

The Herzeg Novi police on Friday said that two Yugoslavs of the coastal town near the border—Aleksandar Golubic and Ivica Kosanski—were taken to the prison in Dubrovnik, Croatia.

The Herzeg Novi police specified that the Croatian Police patrol boat from Dubrovnik on May 19 intercepted the Yugoslav boat "in the blue zone" and escorted it and the two fishermen to Dubrovnik. Golubic and Kosanski were "handed over to the competent court, which after the proceedings passed sentences in accordance with the law."

The fact is that the Yugoslav fishermen had made an offense because they were spear-fishing in the "Blue Zone."

The Herzeg Novi Police warned that the Croatian Police had no authorization to arrest the fishermen because the "Blue Zone" is under the sole jurisdicition of the United Nations Protection Force (UNPROFOR).

This is why a sharp protest was immediately lodged to the UNPROFOR, demanding of it to resolve the case and release the Yugoslav citizens.

The Prevlaka Peninsula, a strategic point at mouth of the Boka Kotorska Bay, was once a Yugoslav Navy base. It was demilitarized last October and declared a U.N.-protected zone in keeping with an agreement between Yugoslav President Dobrica Cosic and his Croatian counterpart Franjo Tudjman.

Tito's Son Appointed to Moscow Embassy Post

AU2005192993 Belgrade BORBA in Serbo-Croatian 13 May 93 p 15

[Text] A Broz will be working in Moscow again! Involved is Josip Broz's younger son, Aleksandar Misa Broz, who should soon take over as ministerial adviser for economic issues at the Croatian Embassy in Russia.

We have been given this report by Sergej Grizunov, head of the NOVOSTI correspondent's office in Belgrade, along with the remark that it comes "from reliable diplomatic sources."

Broz's life and upbringing is interesting. He was born in Zagreb on 24 May 1941. His mother was Herta Has, a Slovene. He spend his childhood in Belgrade with his father, where he graduated from high school. He graduated in Zagreb with a law degree and got his first job at the Zagreb Prvomajska factory. He then went to the INA Enterprise, and was later deputy chairman of the Republic Committee for Relations With Foreign Countries in the Croatian Government. He returned to INA again and became deputy director general there. It is from that post that he will be leaving for Moscow.

Broz is married to Mira Broz, a Serb from Pakrac who is a dentist. He has two children, a daughter Sasa (24) and a son Andrej (18).

For a long time he avoided politics, but was persuaded to run in the 1990 elections on the "Racan Party" list—the reformed League of Communists of Croatia. The communists, however, suffered a catastrophic defeat by Tudjman's Croatian Democratic Community, and Broz fell into oblivion. Enter his wife Mira, who saw to it, it is said, that the Zagreb Military Hospital and all equipment in it was turned over to the new Croatian authorities. For this, Mira, an Army medical officer, was promoted to the rank of brigadier in the Croatian Army!

With his Yugoslav orientation, Broz still believed in Yugoslavia. "In 10-15 years, people will begin to realize that the breakup of Yugoslavia was a stupidity," he told THE TIMES of London in January 1991. "The republics will realize that they simply cannot turn their backs on one another."

A year later, probably having realized his own fallacies, Broz showed allegiance to the new state. More and more frequently, one heard reports that on his many trips abroad, Broz was becoming one of the main activists in "promoting" Tudjman's regime and the "young Croatian democracy." One has particularly noticed his activities in Libya, after which al-Qadhdhafi recognized the Republic of Croatia.

There have recently been rumors about his having fallen in disfavor again, that Tudjman's authorities have thrown him out of his Zagreb apartment, that he has not been in his INA office for a year, that he has fled to London to take up private business....

Then, suddenly, Tudjman is sending the 52-year-old Broz to Moscow as ministerial adviser in the Croatian Embassy!

Worsening Relations With Croatia Discussed

Peterle's View

AU2205164093 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 22 May 93

[Text] The International Conference on Minorities continued in Bled today. Foreign Minister Lojze Peterle spoke about the independence process of the Slovene state at the conference this morning. On this occasion, Peterle also made the following statement regarding the aggravation of the Slovene-Croatian relations:

[Begin Peterle recording] Considering the fact that we had already agreed in talks with [Croatian Foreign] Minister Skrabalo, as well as at the meetings that were held over the past several days, that we would not take any steps that would upset the other side regarding the disputed territories, I would say that it is clear that such a continuation of this construction [of border facilities] only involves bad consequences. I am afraid that it is also going to have a serious impact on the tourist season, as this activity in fact radicalizes the problem instead of solving it. This is a completely one-sided activity on the part of the Croatian side in spite of, as I said, all the stands taken.

We have already held talks today with [Slovene Ambassador to Croatia] Malesic, who received instructions in this respect. We are now holding intensive talks with the Croatian side lest the problem increased in volume—that is, we insist on keeping to the agreement that is customary in relations between our countries. [end recording]

Ambassador Recalled

LD2205123793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1125 GMT 22 May 93

[Text] Zagreb 22 May (TANJUG)—The Ministry of Foreign Affairs of the Republic of Slovenia has called its ambassador to Zagreb, Matija Malesic, back to Ljubljana for urgent consultations because "the Croatian side is continuing to build a border outpost in the disputed area near Secovlje."

Thereby Croatia "is blatantly violating an agreement" reached on 3 February by Slovene and Croatian foreign ministers Lojze Peterla and Zdenko Skrabalo, says a statement issued by the Slovene Foreign Ministry, quoted today by the zagreb press.

VECERNJI LIST of zagreb, quoting SLOVENSKE NOVICE of Ljubljana, today published details of maps of Slovene-Croatian borders, which are currently being discussed at closed sessions in Slovenia.

These maps show allegedly eight "areas of dispute" on the border between the two new neighboring states. These are: The border along the Mura River in the Lendava municipality; the border on the Drava River in the town of Ormaz; in the municipality of Brezice, the confluence of the Sutla River into the Sava River; Sveta Gera in the Novo Mesto municipality; Sekulic in the Metlika municipality; forests on Mt. Sneznik in the Cerknica municipality; and Secovlje and Piran Bay in the Piran municipality.

The border in Piran Bay is cited as the most controversial. Slovenia is offering two solutions for this disputed area. The first, as stated in the published document, envisages Slovenia enlarging its territorial waters "by about 160 square meters," and the other solution, that "it would patrol almost the entire Piran Bay apart from a 278-meters-wide area along the Savudrija coast [in Croatia]."

Federal

Cosic Cannot Accept Monitors on Bosnian Border

LD2105214993 Belgrade TANJUG in English 2031 GMT 21 May 93

[Text] Belgrade, May 21 (TANJUG)—Yugoslavia cannot accept international monitors on its border with the former Yugoslav Republic of Bosnia-Herzegovina for moral and principled reasons, Yugoslav President Dobrica Cosic said on Friday.

Speaking for the British Sky Television, Cosic said the monitors were not necessary because they would solve nothing and undermine Yugoslavia's sovereignty and dignity as a nation and state.

"We must be trusted that our policy is sincere, as well as our commitment to supporting the peace-making efforts of the international community," said Cosic and added that the Federal Republic of Yugoslavia was firmly resolved to do whatever it could to help restore peace in Bosnia-Herzegovina.

"It is to this end that Yugoslavia has offered moral and political guarantees, both to its people and to the international public, that under no circumstances will it help the Bosnian Serbs militarily, and that it will fight for the rights of Bosnian Serbs exclusively by political and democratic methods," the Yugoslav president said.

On May 6, the Bosnian Serb parliament referred the Vance-Owen peace plan for Bosnia-Herzegovina to a referendum held on May 15-16, which shouted down the plan.

The governments of Serbia and its parent Yugoslavia, which see the plan as conducive to restoring peace and settling all disputed issues through negotiations, decided on May 6 to cut all but food and medical aid to Bosnian Serbs.

Memorandum Documenting War Crimes Against Serbs

LD2405104493 Belgrade TANJUG in English 1019 GMT 24 May 93

[Text] Belgrade, May 24 (TANJUG)—Close to 1,200 Serbs have been killed and between 2,800 and 3,200 wounded in Moslem attacks on Serb settlements in eastern Bosnia over the past year, says a memorandum which the Yugoslav State Commission for War Crimes and the Crimes of Genocide will soon present to the Yugoslav and international public.

The identity of 648 massacred civilians has been established beyond any doubt, while data about the other massacres are still being collected.

The victims of some of the massacres which started on May 6 last year were entire Serb families, the document says.

The first Bosnian Serb villages to come under the Moslem attacks were Gniona in the Srebrenica area and Bljeceva in the Bratunac municipality. Attacks on other Serb villages in eastern Bosnia followed.

The Srebrenica area became almost "ethnically pure" last summer, with the last Serb perished from the town of Srebrenica in mid-May last year, the memorandum says.

The document gives a detailed account of Moslem raids and plundering of the Serb villages of Bljecava, Loznica, Zagoni, Magasici, Jezestica, Fakovici, Boljevici, Bjelovac, Sikiric and Kravica in the Bratunac municipality, and Gniona, Oparci, Ratkovici, Brezani, Krnjici and Zalazje in the Srebrenica area.

In addition to the names of the victims, the memorandum also lists the names of the Moslem perpetrators of these crimes and testimonies by witnesses.

"Many dead or wounded Serb civilians were burned down in their homes, but there were also people who were unhurt and burned alive," the memorandum says.

About 20 Serb civilians were burned when three houses in the village of Zalazje were set on fire on July 12 last year, and many died in the fires in Bljecava, Krnjici, Ratkovici, Zezestica and other Serb villages.

Almost one-third of the Serbs were killed when ambushed on village roads or forest paths, but ambushes were also set on local or regional routes, the memorandum says.

Out of the total of 5,759 Serb households in the municipalities of Bratunac, Skelani and Srebrenica, 4,246—or 74 percent—have lost their property, the document says and adds that 79 Bosnian Serb settlements were destroyed.

Some 6,700 heads of cattle, 14,000 sheep and 33,000 hens have been plundered from Bosnian Serb villages, and the overall damage as far as the livestock is concerned amounts to about ten million dollars, the memorandum says.

Cosic, Milosevic, Karadzic To Meet With Churkin Today

LD2405095293 Belgrade TANJUG Domestic Service in Serbo-Croatian 0924 GMT 24 May 93

[Text] Belgrade, 24 May (TANJUG)—FRY President Dobrica Cosic is to receive Russian Deputy Foreign Minister Vitaliy Churkin, Russia's special mediator for Bosnia, in the Palace of the Federation in Belgrade at around 1600 today.

The news about Churkin's visit to Belgrade has been officially confirmed by the Yugoslav president's office.

It was learned unofficially that late this afternoon or this evening Churkin is to be received by Serbian President Slobodan Milosevic. The special Russian mediator is expected to have talks with the leader of the Bosnian Serbs Radovan Karadzic during his visit to Belgrade.

Impact of Tightened Sanctions Considered

93BA1009E Belgrade VREME in Serbo-Croatian
3 May 93 pp 24-26

[Article by Dimitrije Boarov: "State of Emergency Economy: Letter From the Darkness"]

[Text] *How long can we survive the resolution of the Serbian national question using the "from here to eternity" system, and what are we actually waiting for: These are questions that were not answered even by the letter sent in the 11th hour to Bijeljina.*

After nearly a year of the world embargo, which has literally broken the Yugoslav economy in two, and several hours before the Security Council decision on hermetically sealing the Yugoslav border went into effect, which had already been known about for 10 days, in a "night of decision" the strategists of Serb policy found the strength to write a letter in which it is acknowledged parenthetically that the citizens of Yugoslavia, Serbia, and Montenegro have invested "even more than they were able" in the goals of war. If the Yugoslav leaders had not written this letter in the darkness, in a hurry, deeply "bowed" by the threat of new sanctions, perhaps it could have included a broader analysis of the economic consequences of world isolation, the kind that has been going on for more than a year and the harder kind too, which began on 26 April.

Besides this clause, there are still other signs that this time the tightening of the sanctions is being taken somewhat more seriously (after various "accelerations of development" ["otkrica Turije"], etc.) The three-man junta of the Yugoslav economy—Kontic, Sainovic, and Djukanovic—met as early as 27 April to decide on "necessary measures and the corresponding organization of all subjects and forces in the country, in order to ensure the functioning of the economy and of society as a whole, or rather mitigation of the sanctions." After a year, that is a significant "advance" compared to Bozovic's "relativization" and "neutralization" of the consequences of the world embargo. The unfortunate thing is that all our prime ministers are scarcely able to do anything other than "organizing functioning," meaning beginning the endless search for documents so that they can find data to "close the material and financial balance sheets."

Scant Consolation

Specifically, trucks are no longer crossing at Cukarka. A reporter at that border crossing with Macedonia reports that the transport of goods has stopped, while reassuring us that buses from the south have no problem entering Yugoslavia. Similar reports are coming in from other border crossings as well. Perhaps customs agents from the United States and Europe rarely check up on Cukarka, but it is already clear to everyone that the Yugoslav economy cannot function on the basis of an "ex Cukarka" regime. Essentially, this has been impossible in the past too, even though many necessary materials have arrived in this country through import with documents indicating that the importer was in Macedonia, Bosnia, Croatia. For example, when an enormous rotary kiln at Beocinska Cement Works "jammed" last summer (because all the spare parts had been gambled away), the reconstruction was imported right away, because old Macedonian friends helped procure equipment from France.

Naturally, not everyone understands even the simplest things in economics right away. Thus, Milenko Ilic, the chairman of the Assembly of the Economic Chamber of Serbia, declares that "the last year and a half of living under embargo will help us, because we have begun building a system of turning to ourselves and our resources." The very president of that chamber, Vlajko Stiljkovic, talks about some sort of "halt to the decline in production." And these are people who collect data from the economy and forward them to the political leadership.

When someone emphasizes that out of 1,200 import items "Zastava" in Kragujevac has "overcome" as many as 700 such parts, it must be known that a bridge is not complete even when it has been constructed to within the vicinity of the other shore, since it is still impassable. It must be recalled at this point that last year "Zastava" produced only 24,000 cars, compared to 100,000 the previous year and despite a projected capacity of around 250,000 units a year. It should be added to this somber tally that 1,200 trucks were also produced, although 10 times as many were planned. Is it significant to recall here that "Zastava's" main partner, DMB from Rakovica, produced only 10 percent of the planned engines and that because of the embargo it lost out on a practically concluded contract with Lombardinia to produce 100,000 engines for compact cars a year? And what good is it if DMB has "captured" the production of engines when there is no one to sell them to? What good is it to "Zastava" that they manage to produce sheet metal in Smederevo when "Sartrid" has shut down the iron works because there is no more ore and coke, especially since they cannot import through Cukarka? Even last year, Yugoslavia reduced its consumption of steel to 800,000 metric tons, compared to 1,650,000 metric tons in 1989. Since even Niksic Iron Works announced a shutdown of production two days after the latest "tightening," the basic question arises: Is there an industry anywhere that does not consume steel?

Untying the Tied

Things are no better with plastics. Thus, in its technological onslaught "Zastava" announces that it will overcome the problem of plastic instrument panels for its cars by June. Unfortunately, "Petrohemija" in Pancevo has been shut down since June of last year. It is being followed in turn by all other manufacturing plants, from plastics to rubber and vinegar. Perhaps it should be noted that more than $5 billion has been invested over the past decade in this area alone.

The new sanctions are in fact destroying that which has been painstakingly "tied up" during the aforementioned "year and a half" of blockade. Elektronska Industrija in Nis has long been practically at a standstill. Right now, somehow, there are as many as 9,300 of the 16,500 workers on the job (until recently, 9,000 of them were on "leave"; now that figure is 7,500). Now everything is once again questionable.

In order to calm down its viewers, television has most often called on certain companies in the textile industry in order to show that something is indeed in operation. But figures indicate that in the cotton sector approximately 15 percent of capacity is being utilized, while with knitwear the figure is around 20 percent and with ready-made clothing it is around 40 percent. It is hard to determine whether the biggest problem here is the lack of imported material or the fact that this branch cannot survive if it does not export 60 percent of its production. Without exports, around 200,000 people in the leather and textile sector have no prospects for the future whatsoever.

When Branko Hinic and Rajko Bukvic, experts with the Republican Institute for Development, assessed (in the 29 March issue of EKONOMSKA POLITIKA) economic trends over the next few months, "hermetic isolation" was still not taken into account. But even so, they predicted that compared to last year's average industrial production would continue to decline at rates greater than 40 percent. Simplified, this means that the number of people on "mandatory leave" will double in practice. The only work being done will be in the fields and forests (forestry experienced a 3-percent increase in production last year).

Fertilizer and Fuel

As soon as the tightened sanctions from New York were "acknowledged" in Bijeljina, a major courting game with agriculture began, even though food, incidentally, is not on the list of the most rigid restrictions (including fancy goods, if they are not imported in "enormous" quantities). The story immediately began to circulate among the public that during the first half of the year the Board of Governors of the National Bank of Yugoslavia has provided agriculture with loans worth 4.8255 trillion dinars and that 2.100 trillion was already in circulation. Only 24 hours after the tightened sanctions were applied, Nikola Sainovic was in Novi Sad to see if Vojvodina needed anything!

It is already known that last fall's wheat harvest was a success in terms of acreage, and that more than 850,000 hectares were sown, from which around 3 million metric tons of grain should be expected (nearly twice the annual consumption). Nevertheless, it should have been considered that at least 30 percent of the land was sown with ordinary seed "from the loft." The report that the majority of agricultural pharmacies [as published] in Vojvodinan towns are doing poorly is also ignored. Even if artificial fertilizer is available, complains one private agricultural pharmacist from Gospodjinci, it does not occur to farmers to buy it. They are not even attracted by some form of "deferred exchange," whereby what they buy today is paid for from the coming harvest. Bozovic's move last year to monopolize the purchase of wheat for the Republican Commodity Reserves provided a warning to farmers not to sell their wheat even last year. This year, the state will have even greater problems with placing the "balance of food" under its control. Perhaps one deputy to the republican parliament is right when he says off the record that this year wheat purchases will not be handled by Kisgeci, but rather by Sokolovic, the police minister.

Despite all the forms of privation, the spring planting is not going poorly, according to republican Prime Minister Sainovic. ("You can see that every day on television," he says.) The official estimate for land sown by the middle of April is 500,000 hectares, out of the approximately 2.5 million that should be sown. The government declares that 59,000 metric tons of fertilizer have been provided, which is around 15 percent of the amount normally needed. The Ministry of Agriculture itself is dissatisfied with the estimate that only 60 percent of the diesel fuel needed is getting to farmers. Since adequate fuel obviously cannot be provided from domestic resources, and in order to maintain some level of normal domestic transportation, the crazy idea of returning agriculture to horse traction is even being raised.

Veteran agrarian journalist Milosav Ilijin reminds advocates of a return to "animal traction" that there are currently only 51,000 mares and yearlings for foaling in our country, that they carry their young for 11 months, and that it takes three years to rear a harness beast. The 94,000 horses in Yugoslavia (in the form of horses) can do little in the short term. It is true that if cows are included in the job somewhat better results could be expected. Naturally, it would be better to somehow provide around 50,000 metric tons of diesel a month so that tractors can do the work.

Taking the Back Seat

In the strategic sense, complete isolation in transportation can have catastrophic long-term "geostrategic" consequences for our well-known "comparative" role as a link between Europe and the Middle East. Anyone who has crossed the Danube at Vidin lately (over the narrow bridge), or has crossed from Romania to Hungary at Arad, has noticed enormous crowds. At the Mako and Battonja crossings along the Romanian-Hungarian border, the lines of trucks are more than 20 km long. This means that they are already bypassing us. If things continue and the European Bank chooses some new strategic direction, then we will take the back seat.

Even last year, railroad transportation was reduced by nearly 20 percent, with a 10 percent decrease in road transportation. River transportation on the Danube, as is known, was stopped immediately after the "heroic" breakthrough to Prahovo, when our ships disregarded Romanian and Bulgarian signals. Maritime transportation has also dropped anchor, and it is of little benefit that "Jugooceanija" is now "Milena ship management LTD," with headquarters in Malta (22 ships, distributed among "subsidiaries" of that company) and that the previous "Prekookeanska plovidba" in Bar has registered its 18 ships as "Rigel ship management Co LTD" on the same island.

It was only after the "tightening" came that the Yugoslav public was informed somewhat more precisely about the dimensions of the financial blockade against Yugoslavia. Actually, it was seen that many countries have nevertheless tolerated a certain amount of trade in foreign exchange, but now it appears that the freeze will be much more rigorous. Many directors spent the week prior to the fall of the "Bijeljina barrier" abroad, allegedly rescuing state money and their own money. Without going deeper into this nebulous terrain, we must note here that the entirety of state smuggling now must proceed with the help of reliable figures with suitcases full of cash. Any serious controls here are out of the question now. For example, who can prove how much a "reliable person" actually paid for masut on the world market if it is asserted that in the past more than $200 per metric ton was paid for what was imported, while the standard price is $70 (press conference by Milan Djakovic, the president of NIS [Petroleum Industry of Serbia]).

The days that have passed since 26 April have not yet fully shown whether the surrounding countries will implement the "land, sea, and air" isolation of Yugoslavia. These measures are stricter than those applied against Iraq (which was allowed exports of $1.6 billion a year). Accordingly, it is frivolous to analyze the consequences of such a blockade on an economy that is supposed to supply 10.5 million people with everything "from needles to locomotives." How long can we survive the resolution of the Serbian national question using the "from here to eternity" system, and what are we actually waiting for: These are questions that were not answered even by the letter sent in the 11th hour to Bijeljina.

Experts on Conditions for Removal of Sanctions

93BA1009D Belgrade VREME in Serbo-Croatian 3 May 93 pp 28-29

[Article by Roksanda Nincic: "How to Have Sanctions Lifted: At Least One Friend Must Be Found"]

[Text] *Experts talk to VREME about the preconditions and mechanism for lifting the UN sanctions: Obrad Racic, Ljubivoje Acimovic, Vojin Dimitrijevic, and Konstantin Obradovic.*

The UN sanctions that were imposed on Yugoslavia in late May 1992 and recently tightened and supplemented because of the FRY's role in the war in B-H [Bosnia-Herzegovina] will probably be lifted some day. Experts in international law explain how this could happen. No one dares to predict when it will happen.

Prof. Obrad Racic, an expert on international organizations, tells VREME in short that the lifting of the sanctions will depend on the political will in the United Nations. That is also the opinion of Dr. Ljubivoje Acimovic, who adds that Article 7 of the UN Charter, which deals with the imposition of sanctions, does not define the procedure for lifting them. Each case is specific—and ours is unlike any other. Any confrontation between Yugoslavia and its brothers in B-H will not essentially influence the UN position toward the sanctions—they will demand concrete actions, Dr. Acimovic believes.

"Procedurally, it is just as hard to impose sanctions as to lift them," according to Prof. Vojin Dimitrijevic's interpretation. "It is necessary to get a majority of the nine members of the Security Council and make sure that none of the permanent members—great powers—votes no. In our situation and our isolation, it was enough to find one permanent member who would veto the imposition of sanctions—but we did not find one. Now, however, it is enough for one permanent member to vote against the lifting of the sanctions for them not to be lifted, and one such member would be easy to find. Essentially, the Security Council has sovereign power to decide whether there is a threat to peace or a danger to peace, which is the reason for imposing international sanctions."

Prof. Dimitrijevic's conclusion: "The Security Council can get the impression that Yugoslavia is no longer endangering peace and lift the sanctions. In order for that to happen, Yugoslavia would have to shed its war colors and war hat before the Council—and before the world in general."

In concrete terms, diplomatic skill is needed, something that there has not been a trace of since the beginning of this war. At least one state should be found that wants to do something for us. That is not impossible, because the international community, or the United Nations, or the Security Council is not—despite local propaganda to the contrary—some sort of monolithic body, like a central committee, in which there are no differences of opinion and rivalries. One school of thought holds that if official Serbia had not insulted Boris Yeltsin, it is possible that he would have made a little more of an effort for our cause. Right now, the prospect of finding a political friend faces an uncertain future.

Dr. Konstantin Obradovic provides the following explanation: "The signing of the Vance-Owen plan is not the only problem. The Security Council must be convinced that Yugoslavia has stopped supporting Radovan Karadzic. An even simpler way for the sanctions to be lifted would be peace. If Karadzic were to withdraw his troops several kilometers, if he were to hand his artillery over to UNPROFOR [UN Protection Force], if the bombing of Sarajevo were to cease...."

The procedure for lifting the sanctions, Dr. Obradovic says, is not a particular problem. At the suggestion of one or more countries, the Security Council will enact a new resolution partially or completely lifting the sanctions. If Karadzic were to sign the Vance-Owen plan, the bans on cultural, scientific, and athletic cooperation would probably be lifted to begin with. That would be an initial sign of good will, but right now we must wait even for that.

There is another question that is eliciting a great deal of public confusion. Even if the war in B-H ends, is it not likely that the lifting of the sanctions will be made conditional on a change in policy in Kosovo, toward the Hungarians, the Sandzak Muslims...? Dr. Obradovic thinks that that could not happen, because the sanctions were imposed exclusively because of the war in B-H. The international community branded the JNA [Yugoslav People's Army] as the aggressor in Croatia as well, but sanctions were not imposed. Even in Bosnia, the war had been going on for two months, during which time several efforts were made to stop the attacks, before the United Nations decided in favor of sanctions. If there were a desire to punish Yugoslavia for its policy in Kosovo, theoretically it would be necessary to adopt a new resolution, but the Security Council is not authorized to impose sanctions for human rights violations, only for threats to peace. It is true that some countries imposed sanctions on China after Tienanmen, and even earlier some states decided to take such measures against the USSR after the invasion of Czechoslovakia, but there is a big difference between sanctions by individual states and UN sanctions. Dr. Obradovic compares this to the difference between someone to whom no one will speak on the street because they do not like his behavior and someone being chased by the police.

The other experts with whom we spoke do not deny that legally this is how things look, but they repeat that political criteria will be critical to the lifting of the sanctions. They feel that the Kosovo question will be raised later on, and then the problem of connecting the Serb states—two of which are new members of the United Nations. But as noted, all of this will come up only after things in Bosnia calm down.

Statistics on Numbers of Serbs Analyzed

93BA1009C Belgrade VREME in Serbo-Croatian 3 May 93 pp 20-21

[Article by Srdjan Bogosavljevic: "Numbers and Letters: How Many Serbs There Are"]

[Text] *In peacetime, statistics can be just simple ornamentation. But now that leaders are appealing to the nation, it is appropriate at least to be precise.*

Today, the nation to which you belong is important. Fewer and fewer people regard national identity as their intimate characteristic, as part of their history and tradition, while there are more and more members of the nation, fans in terms of mentality and character. Fans want their team to win, which is why they root for it. A small number of competent players, professionals, who sometimes do not even root for the club for which they play, creates the club's image. The fans are retaining walls and a source of money, while their aggressive and unruly fan passion and unreserved allegiance is a problem that big clubs direct, sometimes encouraging it, sometimes tempering it. Members of a nation, like fans, delight in their nation's victories, its greatness and singularity, while the players, as in big clubs, play for money, for glory, for history, and they direct their fans. Failure to control fans, control that passes along the knife's edge, is common, and the consequences are catastrophic. The consequences of failing to control a nation are immeasurable.

Mass participation is a basic precondition in fan-oriented games. A handful of "Teleoptika" sympathizers does not mean anything, but the mass of "Zvezda" fans is a force to be respected. But how many of them there are can be seen from the number of tickets sold—the staunch fans go to the match, but estimates of the number of people in attendance always exceed what the ticket office says. A nation that is being transformed into a camp of fans becomes a mass that must be as large as possible. And the members of many nations in the former Yugoslavia are competing with talk about who has been miscounted, how many people one group has, who is "dominant," or to whom more of the sun belongs.

Statements and Polling

Perhaps the Serbs have not, as is alleged, become dignified, but they have definitely become better known to the world public. How many Serbs there are is known relatively reliably, but amid fan-like passion Ms. Biljana Plavsic or Mr. Branko Kostic, politicians and leaders of at least part of the Serbs, make statements on television and cite the figure that there are 12 million Serbs behind them, or rather that they have that many fans, so that consequently they are big players. That figure is not accurate, but it is often heard and quoted. Perhaps it will be accurate one day, but for now it is not even near the actual figure. The leader of the Bosnian Serbs is somewhat more modest: He boasts of 10 million Serbs. Three Milosevics and two Draskovics must be subtracted from this, because they have publicly demanded that, but nevertheless there remain a significant 9,999,995 Serbs who—the leader of the Bosnian Serbs believes—support him, Radovan Karadzic.

In these times of classifying people, many are classifying all those who have defined themselves as Yugoslavs or Montenegrins as Serbs. Without any justification—but that is the most convincing way. With that sort of calculation, one arrives at nearly 10 million Serbs. In the latest census, eight and a half million people in the former Yugoslavia said that they were Serbs, and that is 400,000 more than in the previous census. Serbs are not experiencing a demographic explosion, but a number of former Yugoslavs have decided henceforth to be Serbs. Not all former Yugoslavs have closed ranks in the Serb camp; the number of fans in the Croat and Muslim camps has also increased somewhat.

The FRY is the state of the Serb nation; of the more than 10 million inhabitants, six and a half million are Serbs, or 65 percent. The last elections divided the nation into "good" and "bad" Serbs. The "good" ones voted for the SPS [Socialist Party of Serbia] and SRS [Serbian Radical Party], while the "bad" ones voted for DEPOS [Democratic Movement of Serbia], the DS [Democratic Party], and other "traitors." There were Serbs who did not vote, and if they are split up in proportion to the division that was achieved, the result is 3.8 million "good" and 2.8 million "bad" Serbs. All those who did not vote could be added to the "bad," but in that case there would be more of them than "good" ones, so that Vuk Draskovic would be right when he asserts that the opposition was the moral victor in the last elections. But since Draskovic is not right by definition (TV Serbia), those who abstained are divided as if they too are real Serbs.

There are also Serbs outside the FRY, and they are even better known than the Serbs from Yugoslavia. Nearly two million Serbs are left outside the national state of the Serbs. Most of them are in B-H [Bosnia-Herzegovina]. The last census came up with nearly 1,400,000, meaning 20 percent more than there are in Vojvodina.

Indeed, around 300,000 citizens of Serbia were born in B-H. Before these wars, they could have taken the citizenship of the republic from which they came and create an invincible voting machine. However, they did not.

Refugees

The war has disfigured the demographic picture of the regions in which there has been fighting, killing, and devastation. The world has divided B-H into provinces, which it offers up for rule by national parties: the SDS [Serbian Democratic Party], SDA [Party of Democratic Action], and HDZ [Croatian Democratic Community]. There are 873,000 Serbs in the SDS provinces. These are provinces 2, 4, 6, and the joint province 7 under the Vance-Owen plan. That is how it would be if there were not more than 700,000 refugees. It is hard to imagine that any of the afflicted people even wanted this before all of this came to pass. But if the Vance-Owen plan is signed and the war is halted, the problem is how the more than 500,000 Serbs who are supposed to live in provinces controlled by the SDA and HDZ would deal with their neighbors.

A significant number of Serbs were recorded in the 1991 census in what was then still the Socialist Republic of Croatia: 580,762. The biggest Serb city in Croatia was Zagreb, with more than 50,000 Serbs. Other major domiciles of Serbs from Croatia include Sisak, Vinkovci, Osijek, Zadar.... Many Serbs from Croatia are refugees in Serbia, in a foreign country, or in parts of Croatia controlled by Serbs, meaning the territory of the Republic of Serbian Krajina. Somewhat less than 200,000 Serbs are left in the cradle of Serbdom, Kosovo and Metohija. Naturally, there are also some soldiers and police there.

All these figures are folkloric ornamentation during peacetime. But today, when the dead and injured are being counted, when there are more destroyed houses than intact ones in Bosnia, it is necessary to appeal to the support of the nation with care and to know **whose fishing net it is** and for whose sake war is being waged. Many of those who are players in the big and excessively expensive game sell themselves with the support of Serbs, including nonexistent ones. Finally, the number of those who have dragged us to hell or, in the well-intentioned interpretation, were unable to lead the nation along the right path is small, smaller than the smallest Serb enclave. It would be much cheaper for them to become refugees, even if it meant those of us who remain giving them the most expensive hotel in Hawaii for as long as they like staying there.

Relations Between Socialists, Radicals Viewed

93BA1007D Belgrade POLITIKA in Serbo-Croatian 5 May 93 p 9

[Article by Milenko Pesic: "Serbian Party Life: How Relations Are Between Socialists and Radicals"]

[Text] *Within the ranks of the ruling party, it is not expected that the radicals will bring down the Sainovic cabinet; when new elections are possible.*

Will the radicals deny their confidence in the cabinet of Nikola Sainovic? This is the question that is arising in acrimonious form after the parting of the ways between the two strongest parliamentary parties over the Vance-Owen plan. An answer will not be long in coming. At the session of the Serbian parliament scheduled for next week, the depth of the rift in the "patriotic bloc" made up of the SRS [Serbian Radical Party] and the SPS [Socialist Party of Serbia] will be tested.

Karadzic's signature on the international community's peace plan for the former Bosnia-Herzegovina was only the last straw in the not exactly dazzling relations between the socialists and radicals in recent times. Dr. Vojislav Seselj is no longer the darling of state television. Things have gone so far that the SRS leader recently accused his political partners of misusing Serbian Radio and Television for partisan purposes.

Barb From Niksic

The dispute between the SRS and SPS has also concerned the convening of a pan-Serb assembly, which the radicals have wholeheartedly advocated. The socialists have not opposed this idea in principle, instead saying that the time is not right. Disagreements over various interpretations of the Serb national interest came to a head between the two parties after Athens. "Those who stressed in the preelection campaign that Serbia will not bow and scrape are now showing their willingness to fall on their knees," Seselj said in Niksic upon hearing that the leader of the Bosnian Serbs had signed the Vance-Owen plan.

It is hard to believe that the SPS, at which this sharp barb was directed, will remain liable. For now, it is hard to say how the blow will be deflected. We have learned unofficially that people in the ruling party do not expect Seselj to topple their minority government. They feel that at the moment that simply cannot be in the interest of the Serbian Radical Party.

"If they bring down the government, there could be a parliamentary crisis, because it is hard to believe that the SRS and DEPOS [Democratic Movement of Serbia] could form a coalition. Ultimately, this could result in new elections in which they would not be able to repeat the same results," a high-ranking SPS official said off the record, concerning possible moves by the radicals.

During the postelection period, when governments were being formed, Seselj said that it was not wise for his party to have its ministers in both cabinets at that time. Giving his support to Sainovic and, a little later, to Dr. Radoje Kontic, the SRS chairman let it be known that he would also be their harshest critic if the new governments did not function in the interest of the nation.

Nevertheless, it is being said unofficially that power-sharing was offered to the radicals. It is hard to determine why they refused ministerial portfolios. According to one version, the SRS did not join the government because it did not want "table crumbs," choosing instead to wait for the moment when it would take over all key positions. According to another interpretation, a settlement was reached between the two strongest parties after the elections, whereby one of them got power and the other got control over the trade in various products in short supply, which became lucrative after the imposition of the sanctions.

Peacemaking Image of Serbia

After the meteoric success of the SRS in the last elections, many were inclined to see the radicals as the ones whose word was critical in making many important decisions. The question of who has whom in check will become clear very quickly. The wartime encirclement thus far has been to the radicals' advantage. The turnaround performed by Slobodan Milosevic and his party right before and after Athens presage appeasement, which could very much diminish the deadliness of the radical emotions, but also of their projects.

At a time when the people are already feeling the weight of the new sanctions based on Security Council Resolution 820, many feel that Serbia needs a new peacemaking image and that the SPS took the pulse of the nation frightened by war just in time. It is hard to fit Vojislav Seselj and his party in with this new image. The deviation made by the current authorities in supporting the signing of the amended Vance-Owen plan in fact indicates clearly who is for peace (SPS) and who is for continuing the war (SRS).

In all likelihood, the socialists, by deciding to change the course of national politics, had a stronger trump in their hand and consciously sacrificed Seselj's radicals, leaving them somewhat isolated on the Serbian political scene. With the exception of several minor parties, the SRS is the only significant political force that is still today asking that the deputies to the Assembly of the Serb Republic at Jahorina once again reject the Vance-Owen peace plan.

Political insiders believe that if the SRS decides on a radical step and attempts to deny confidence in the government, the cabinet of Nikola Sainovic will nevertheless be saved by some of the other parties in the Serbian parliament.

FRY Exclusion From WHO Deplored

93BA1007B Belgrade POLITIKA in Serbo-Croatian 5 May 93 p 7

[Article by O. Popovic: "After Decision To Exclude Yugoslavia From World Health Organization: Betrayal of Human Right to Health"]

[Text] *Although founded to protect the health of people, regardless of any national, religious, or political affiliation, this specialized agency of the United Nations has not remained above politics; Prof. Dr. Viktorija Cucic: We assume that humanitarian aid will not stop coming.*

The World Health Organization [WHO], founded to protect the health of people as a basic human right, regardless of any national, religious, or political affiliation, decided several days ago to exclude Yugoslavia from membership.

It is still unclear what the concrete consequences of this decision to exclude Yugoslavia from the World Health Organization will be, but Prof. Dr. Viktorija Cucic, who has worked with WHO for many years and is a consultant for that organization in many fields of medicine, assumes that humanitarian aid will not stop coming.

"However, we will cease to have a right to equal participation in achieving the goals of the World Health Organization, especially in the 'Health for Everyone' program. Other cooperative programs are also at a standstill," Prof. Cucic believes.

Prof. Cucic personally regards this decision as a betrayal of the basic principles of the World Health Organization and as a betrayal of the articles of the WHO Constitution, because of which we in fact joined this specialized agency and participated in its founding back in 1946-1948.

"We believed deeply that the World Health Organization is above and outside of politics. However, we see this decision not only as betrayal, but also as misuse of an organization concerned with human health. We are very hard hit by the closed doors, the isolation, the vilification, and the condemnation, so that we have no drugs and must choose whom to treat and whom to let die. That clashes with the elementary principles of our medical profession, to say nothing of the high ethical principles of an organization like WHO," Dr. Viktorija Cucic adds.

Dr. Cucic recalls that it was precisely WHO that opened up communication among doctors.

"We needed the help of the World Health Organization right now. We believed that it was impossible for anyone to be isolated in this way. WHO was created in order to preserve human health. By excluding us, WHO has abandoned its basic principles—that health care is a basic human right—but now, there you have it: We do not have that right," says Dr. Viktorija Cucic.

Dr. Cucic notes that this is not the first time that the World Health Organization has walked a tightrope with regard to political goals. Still, it is an agency of the United Nations, and perhaps this decision was imposed on it.

It should be noted that even over the past year, since the imposition of sanctions against Yugoslavia, relations with that organization have fluctuated greatly. However, Prof. Cucic says, since the end of last year, when a WHO office was opened in Belgrade, contacts have been better. Through the intercession of the head of the office in our country, humanitarian aid arrived, and after a long time the bulletins and publications of the World Health Organization also began to arrive. Now we can probably expect the discontinuation of scientific communication.

Health-care workers will appeal to have this unreasonable decision reversed, Dr. Viktorija Cucic concluded.

[Box, p 7]

Decision That Will Affect Others as Well

Concerning the WHO decision, the president of the Serbian Medical Society, Prof. Dr. Vojin Sulovic, said that he is "not flabbergasted, but rather dismayed at the WHO decision. This organization loses all meaning by adopting a decision that, for political reasons, discontinues all medical cooperation with a country that is one of its founding members."

Prof. Sulovic emphasized that the Serbian Medical Society will convene its Ethics Committee and "condemn this discrimination toward our country, because there is no other way to describe a decision that will affect sick and helpless people most of all, especially children and the elderly."

Head doctor, Radmilo Petrovic, of the Institute for Virology in Torlak, who is one of the most important people implementing WHO programs in our country, says that this decision will affect not only us, but also neighboring countries and even WHO itself.

"Many contagious diseases have been eliminated from the world thanks to joint action. Concretely, we are working on the complete eradication of polio and measles, and for that we need adequate quantities of vaccine and exchanges of information with surrounding countries," he adds.

Shortages To Halt Production of Drugs

93BA1000E Belgrade BORBA in Serbo-Croatian 22 Apr 93 p 11

[Interview with Radomir Stojicevic, M.A., president of ICN Galenika and president of the Association of the Yugoslav Pharmaceutical Industry, by Bojana Popovic; place and date not given]

[Text] The production of drugs is shutting down. Yesterday, Zorka of Sabac was not operating, at Galenika in Belgrade a third of the work force is on regular annual leave, the plant does not operate on Fridays, and many workers have been reassigned to plants still in production. The supply of drugs is sufficient for another month, perhaps two or three months—depending on the drug in question.

"In a word, the situation with the production of drugs is dramatic, and we producers need to be informed about how to obtain funds for drugs," Radomir Stojicevic, M.A., president of the company ICN Galenika and president of the Association of the Yugoslav Pharmaceutical Industry, said in an interview with BORBA.

The problems which the pharmaceutical industry had faced for several months and culminated in recent days are not just the consequence of the sanctions, which, in spite of the exemption of the health sector—are "affecting" the importation of raw materials for drugs, finished drugs, and replacement parts for medical devices. It takes months to obtain import permits, producers do not have the dinars to buy foreign exchange on the black market—and drugs imported illegally without a quality certificate are turning up on the health care market. How much have government agencies done to keep the pharmaceutical industry in operation, so that there are drugs, we asked Dr. Stojicevic.

It is a fact that the federal government has furnished $16 million for drugs ($8 million for raw materials and the same amount for finished drugs). Out of the money for raw materials, Galenika obtained the right to $2.5 million; however, so far it has not used a cent. The sanctions, Dr. Stojicevic said, which are having the most drastic effect on the transfer of funds, have made it impossible for us to use what we are entitled to. Because the UN resolution has not been respected—it has either not been honored by the governments of the countries or the drug producers—we do not know who is to blame, but someone abroad has not been doing his job, and it is not up to us to go searching in world banks for what is ours. I think, Dr. Stojicevic explained, that this was the duty of the government. I cannot say that the Health Ministry is to blame. They asked us to make a statement that we had not violated the sanctions, and we have not violated them. However, there are no raw materials, although they are not covered by the sanctions. We are not covered by the sanctions, but actually we are subject to horrible sanctions, because in this quarter, for example, we have not bought anything. Incidentally, we have furnished all the funds through purchases on the black market. And what is happening now? There is no money, there is no foreign exchange, there are no import permits—and drug prices are dropping steadily. At the moment, foreign drugs cost 35-fold more than ours.

According to our informant, if what is being said about tightening the sanctions comes to pass, this will be tragic for the people. Although I hope that drugs will nevertheless be exempted—past experience indicates that production will drop still more and that actually there will not be any drugs. That is why we proposed to the Health Ministry yesterday that raw materials be furnished for the most indispensable drugs. This is a list of 309 drugs—although, in my opinion, any list is an artificial creation, because a drug is a drug—but nevertheless the 50,000 insulin-dependent patients, for example, cannot be left without insulin. Or patients who are on hemodialysis. We have therefore requested the help of experts to say what should be done so that we have these drugs.

"I must emphasize the fact," Dr. Stojicevic said, "that the pharmaceutical industry, compared to other industries, has gotten along well in spite of the sanctions and the problems it has been facing. There have been drugs, and no one has asked us how we are managing to do it. We are operating without profit, and I say that we are on the borderline of bare reproduction. The issue of drug prices needs to be clarified. It is well-known who sets drug prices and who has been setting them. That is the responsibility of the ministry. As to why the prices of the same drug vary from pharmacy to pharmacy—that is not up to us. Drug prices do not provide us any profit at all."

Galenika is supplying drugs to about 50 percent of the Yugoslav market. In recent months, the prices of its drugs are considerably higher than those in the pharmacies that were produced in Slovene and Croatian drug factories.

Dr. Stojicevic said that these drugs are being imported illegally, and so their prices are also illegal.

"We have called attention to that fact and also to the fact that the Slovene and Croatian drugs are still in Yugoslavia's drug register, although the drugs of Serbian producers have been dropped from that register in Slovenia and Croatia. What is more, all legally imported drugs are subject to quality control, but these drugs do not go through that. We also have information that many illegally imported drugs have not been controlled even there. However, that is also the business of the Foreign Trade and Foreign Affairs Ministries—not the business of us drug manufacturers. I think that the operating principle here should be reciprocity," Dr. Stojicevic said. In response to our remark that in spite of everything the workers have maintained solid salaries, the president of ICN Galenika said that they had been working full steam until yesterday. "If we did not work, we would not get paid. When the interest of the state is at stake, I say we will work even without being paid, just let them get the raw materials."

Sandzak Paper Chief Editor on Political Trial

93BA1018B Belgrade BORBA in Serbo-Croatian 5 May 93 p 10

[Open letter by Dr. Sefket Krcic, editor in chief of the magazine SANDZAK, in response to the article "Editor in Court," BORBA, 27 April 1993: "A Political Trial"]

[Text] As a literary man, a person who writes about philosophy, and as a man, I want to address the public concerning the indictment lodged against me by the district Public Prosecutor's Office in Novi Pazar (which I received on the 21st of this month), in which I am charged under Article 134 of the Yugoslav Criminal Code (which envisages a prison sentence of up to 10 years) only because I have been writing truthfully and objectively, i.e., differently from the regime in power. That is why I would like to appeal to my colleagues, former students, writers, professional associations, humanitarian associations, and the public at large.

I have been charged for several sentences in several issues of the independent magazine for culture and politics SANDZAK, which were taken out of their general context and were not even quoted with sufficient accuracy (which is intolerable), so that I am absurdly, in a manner which has not been recorded in the last 10 years or so, said to have evoked racial, ethnic, and religious enmity among nationalities, and in particular toward the Serbian people.

As a matter of fact, neither the Serbs nor the Serbian people are mentioned in my articles, nor in the context of the sentences in question, but rather the social situation is indicated on the basis of argument and criticism of the current regime and certain political orientations within Serbia and Montenegro (the reference is to sentences which BORBA has published).

This is clearly a rigged political trial aimed at discrediting me in a discriminatory way with my colleagues and with the public, a trial which is nothing other than a Kafkian trial in which the individual is nothing and the organization everything. Because of my opinion, which is altogether democratic, I have become the guilty party without having done anything wrong. All this is, of course, being staged in defense of the cruel totalitarian regime which is trying in every way to create conflict situations by morbid methods and stifle any creativity on the part of writers.

Even though this magazine is primarily a periodical of the Muslim people in the remainder of the so-called Yugoslavia, it is still equally open to creators from all cultures and peoples, as is obvious from the content of the issues published so far. However, our guilt is having opposed the uniformity of thought and nonsense which are manifested before the eyes of the whole world. So, once the news gets out as to what I am being accused of, I expect protection from the civilized world.

I nurture a keen respect for all cultures and peoples. The cultures and languages of several peoples intersect and interpenetrate in the Sandzak region. This is a rich resource. However, there are grave penalties here for tolerance, and it is being turned into revolt and hatred, so we need not even mention appeals for peace and dialogue.

Serbia

'No Reason' Seen for Observers on Territory

LD2405111593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1002 GMT 24 May 93

[Excerpt] Belgrade, 24 May (TANJUG)—Serbia is a sovereign state and there is no reason whatsoever for the deployment of observers on its territory, Serbian Assembly President Zoran Lilic stated today.

At a press conference prior to a session of the republican parliament tomorrow, he said that observers can only be deployed along the other side of the border, if they are allowed to.

Asked to comment on assessments by opposition circles that the parliament is losing importance because of its untimely examination of current events, Lilic replied that those who are not taking part in the work of the assembly have no right to criticize it, while those who are taking part can launch initiatives for discussion on all issues.

Asked whether Prime Minister Nikola Sainovic will be asked to submit a report on the consequences of sanctions on the standard of living and chances to alleviate these consequences, Lilic replied that there was no reason why the government should not submit such a report. He added that all relevant facts should be taken into consideration and also all reasons that influenced the imposition of sanctions and conditions under which we live should be understood. [passage omitted]

Lilic Opposes Foreign Observers on Drina

LD2305171593 Belgrade TANJUG in English 1627 GMT 23 May 93

["Pool" item]

[Text] Kragujevac, May 23 (TANJUG)—President of the Serbian Assembly Zoran Lilic on Sunday came out strongly against the deployment of foreign observers on the River Drina, in the Yugoslav Republic of Serbia on its border with the former Yugoslav Republic of Bosnia-Herzegovina.

As a sovereign country we cannot accept this, Lilic said in a local radio broadcast in Serbia. He said that the Vance/Owen plan should not be rejected in its entirety, but that everything that was not in dispute in it should be accepted, as the leaders of the Bosnian Serb Republic had already done on one occasion.

The Bosnian Serb Republic Parliament on May 6 refused to endorse the signature placed on the Vance/Owen plan by Republican President Radovan Karadzic.

On the same afternoon the authorities of Serbia and the Federal Republic of Yugoslavia stopped the flow of all aid to the Bosnian Serb Republic except for food and medicines.

"We gave our full support to the Serb people in Bosnia-Herzegovina in their struggle for freedom and equality, and now that much has been achieved every other solution except peace would be senseless," Lilic said.

Gasoline Prices Hiked 300 Percent

LD2205131193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1215 GMT 22 May 93

[Text] Belgrade, 22 May (TANJUG)—The price of gasoline, now bought in exchange for coupons, was increased by 300 percent last night.

A liter of super now costs 250,000 dinars, regular costs 222,000 dinars, and diesel 192,000 dinars.

Refugee Office Implements 'More Precise' Law

AU2305160293 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 22 May 93

[Text] There has recently been a lot of talk in public about the change in the refugee status and the new measures of the Office of the Republican Commissioner for Refugees. Danica Kostic reports:

[Begin Kostic recording] The recent action of the subsequent registration of all unregistered refugees, as well as the rules that as of 1 May those people who arrive in Serbia will be sent to border centers where they will be granted refugee status after a check-up and according to established criteria, is nothing more than a more precise implementation of the law on refugees that was adopted last year. The people at the Office of the Republican Commissioner for Refugees assert that this is by no means a campaign against the refugees, but that this is necessary to be able to learn more about their number and situation. International humanitarian organizations and the Office of the UN High Commissioner for Refugees also demand precise data to be able to plan and send aid. With the subsequent registration during the last month, about 20,000 refugees have been registered, but it is assumed that there are still approximately 150,000 unregistered refugees in Serbia. Those people will be considered foreigners and will have no right to any aid.

Those refugees who have not registered themselves within the envisaged term will be able to do so at the refugee centers in Banja Koviljaca, Uzice, Sremska Mitrovica, Sombor, and Belgrade, but only if they have a certificate that they were ill or incapable of registering earlier. Another novelty is that the refugees can no longer change their sojourn by themselves without the consent of the the Commissioner's Office, since there had been many problems. If they should do so, they will lose their status and rights.

Those people who are atill arriving in Serbia can be granted refugee status in the border refugee centers only if they are coming from regions threatened by direct war danger. Single earning parents, pregnant women, and ill people are exempt from this.

These people will be sent by the border refugee centers to the communes where there are still vacancies, mainly in Kosovo and southern Serbia. If they fail to accept the place of sojourn, they will not be granted refugee status. [end recording]

Macedonia

Crvenkovski Comments on Washington Plan for Bosnia

AU2305204393 Skopje Radio Macedonia Network in Macedonian 2000 GMT 23 May 93

[Text] The Republic of Macedonia was given a special place in the joint agreement on the coordinated action in solving the war in Bosnia-Herzegovina reached by the U.S., Russian, British, French, and Spanish foreign ministers in Washington. Point 10 of the document says that any aggression against Macedonia would have grave consequences. The presence of international observers after consultations with Macedonian authorities is supported.

In this connection, Stevo Crvenkovski, Macedonian deputy prime minister and acting minister for foreign relations, said that one should wait for an official proposal and that nothing can be undertaken without a Macedonian decision.